

Registered number  
05483274

**WELLINGTON PLACE GENERAL PARTNER LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**



## **WELLINGTON PLACE GENERAL PARTNER LIMITED**

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### **DIRECTORS' REPORT**

The Directors present their report and the financial statements of Wellington Place General Partner Limited (the "Company") for the year ended 31 December 2016. The Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

#### **PRINCIPAL ACTIVITIES**

The Company's principal activity is to manage the operations and safeguard the assets of Wellington Place LP (the "Limited Partnership"). The Directors foresee no material change in the scope or nature of the Company's activity.

#### **GOING CONCERN**

The Directors have acknowledged the latest guidance on going concern and as explained in the accounting policies note 2, the financial statements have been prepared on a going concern basis.

#### **DIVIDENDS**

The Directors do not recommend the payment of a dividend (2015: £nil).

#### **DIRECTORS**

The Directors who held office during the year and subsequently were:

Mr JA Dipple  
Mr CRA Darroch  
Mr DL Grose  
Mr NJ Randall (appointed 1 April 2016)

#### **COMPANY SECRETARY**

The Company secretary is Hermes Secretariat Limited.

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

Each person who was a Director at the time this report was approved confirms 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 he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of Section 418 of the Companies Act 2006.



Nicholas Randall  
Director  
30 March 2017

## **WELLINGTON PLACE GENERAL PARTNER LIMITED**

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

The Directors are responsible for preparing the annual report and 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) including FRS 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 year.

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; 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.

## **WELLINGTON PLACE GENERAL PARTNER LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELLINGTON PLACE GENERAL PARTNER LIMITED**

We have audited the financial statements of Wellington Place General Partner Limited for the year ended 31 December 2016 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in shareholders' funds and the related notes 1 to 11. 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) including FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland."

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 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 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 2016 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.

## **WELLINGTON PLACE GENERAL PARTNER LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELLINGTON PLACE GENERAL PARTNER LIMITED - (CONTINUED)**

#### **Opinion 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.

#### **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 or from the requirement to prepare a Strategic Report.

*Andrew Evans*

Andrew Evans FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Reading, United Kingdom

30 March 2017

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**WELLINGTON PLACE GENERAL PARTNER LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 DECEMBER 2016**

	<u>Note</u>	<u>2016</u> £	<u>2015</u> £
Income from associated undertaking		179	172
<b>Profit before taxation</b>		<u>179</u>	<u>172</u>
Tax charge on profit	4	(100)	(45)
<b>PROFIT FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>79</u>	<u>127</u>

*(The notes on pages 8 to 12 form part of these financial statements)*

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# **WELLINGTON PLACE GENERAL PARTNER LIMITED**

## **STATEMENT OF FINANCIAL POSITION**

**AS AT 31 DECEMBER 2016**

	<u>Notes</u>	<u>2016</u> £	<u>2015</u> £
<b>Fixed assets</b>			
Investments	5	10,002	10,002
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	11,477	11,343
<b>Creditors - amounts falling due within one year</b>	7	(10,212)	(10,157)
<b>Net current assets</b>		1,265	1,186
<b>Net assets</b>		11,267	11,188
<b>Capital and reserves</b>			
Called up share capital	8	10,000	10,000
Profit and loss account		1,267	1,188
<b>Total Shareholders' funds</b>		11,267	11,188

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

The financial statements of Wellington Place General Partner Limited (registered number 05483274) were approved by the Board of Directors and authorised for issue of 30 March 2017. They were signed on its behalf by:



Nicholas Randall  
Director

*(The notes on pages 8 to 12 form part of these financial statements)*

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**WELLINGTON PLACE GENERAL PARTNER LIMITED**

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**STATEMENT OF CHANGES IN SHAREHOLDERS' FUNDS****FOR THE YEAR ENDED 31 DECEMBER 2016**

	<b><u>Called up share capital</u></b> <b>£</b>	<b><u>Profit and loss account</u></b> <b>£</b>	<b><u>Total</u></b> <b>£</b>
Balance at 1st January 2015	10,000	1,061	11,061
Total comprehensive income for the year	-	127	127
	<hr/>	<hr/>	<hr/>
Balance at 31st December 2015	10,000	1,188	11,188
Total comprehensive income for the year	-	79	79
	<hr/>	<hr/>	<hr/>
Balance at 31st December 2016	10,000	1,267	11,267
	<hr/>	<hr/>	<hr/>

*(The notes on pages 8 to 12 form part of these financial statements)*

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## **WELLINGTON PLACE GENERAL PARTNER LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2016**

##### **1. STATUTORY INFORMATION**

Wellington Place General Partner Limited (the "Company") principal activity is to manage the operations and safeguard the assets of Wellington Place Limited Partnership (the "Limited Partnership"). The Company was incorporated in England and Wales, registration number 05483274. The address of its registered office is Lloyds Chambers, 1 Portsoken Street, Aldgate, London, E1 8HZ.

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

The principal accounting policies are summarised below. These have all been applied consistently throughout the current and preceding year.

###### **Basis of preparation**

The financial statements have been prepared on the historical cost convention and in accordance with Financial Reporting Standard 102 ("FRS 102") issued by the Financial Reporting Council and with the Companies Act 2006.

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

The Company manages the operations and safeguards the assets of Wellington Place Limited Partnership. It does not trade and it is entitled to an allocation of profits from the Limited Partnership sufficient to cover any administrative expenses it incurs.

The Directors, having made all the necessary enquiries, do not anticipate any changes in the Company's activities or circumstances in the foreseeable future. The Directors have concluded, based on these assumptions, that it is appropriate to prepare the accounts on a going concern basis.

## **WELLINGTON PLACE GENERAL PARTNER LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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

##### **Judgements and key sources of estimation uncertainty**

The preparation of financial statements in accordance with FRS 102 requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the year. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. There were no material estimates or assumptions made at the end of the year.

##### **Investments**

Investments in subsidiary and associated undertakings are held at cost less provision for impairment.

##### **Debtors**

Debtors are measured at transaction price, less any impairment.

##### **Creditors**

Creditors are measured at transaction price.

##### **Income from associated undertakings**

Income represents the Company's distribution income from an associated undertaking.

##### **Income and expenses**

Income and expenses are recognised on an accrual basis.

##### **Taxation**

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the statement of financial position date.

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**WELLINGTON PLACE GENERAL PARTNER LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2016****3. ADMINISTRATIVE EXPENSES**

The Directors received no remuneration from the Company. The Directors were remunerated through another group company and the proportion allocated for this company is £nil (2015: £nil). The Company did not employ any other persons as it is administered by the employees of MEPC Limited. Audit fees are paid by Wellington Place Limited Partnership. There are non-audit fees payable to the auditors (2015: £nil).

**4. TAX CHARGE ON PROFIT**

	<u>2016</u>	<u>2015</u>
	£	£
<b>Analysis of charge in the year</b>		
Current tax:		
UK corporation tax at 20% (2015: 20%)	75	45
Adjustments in respect of prior years	25	-
	<u>100</u>	<u>45</u>
<b>Reconciliation of total tax charge:</b>		
Profit before taxation	<u>179</u>	<u>172</u>
Corporation tax at 20% (2015: 20%)	36	34
Expenses not deductible for tax purposes	75	45
Income not taxable for tax purposes	(36)	(34)
Adjustments to tax in respect of previous periods	25	-
Total tax charge for the year	<u>100</u>	<u>45</u>

## **WELLINGTON PLACE GENERAL PARTNER LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2016**

##### **5. INVESTMENTS**

	<u>Subsidiary undertakings</u>	<u>Associated undertaking</u>	<u>2016</u>	<u>2015</u>
	£	£	£	£
As at 1 January and 31 December	2	10,000	10,002	10,002

The Company has investments in the following subsidiary and associated undertakings:

<u>Subsidiary undertakings</u>	<u>Registered office</u>	<u>Principal activity</u>	<u>Holding</u>	<u>%</u>
Wellington Place Nominee No 1 Limited	Lloyds Chambers, 1 Portsoken Street, Aldgate, London E1 8HZ	Dormant	£1 share	100%
Wellington Place Nominee No 2 Limited	Lloyds Chambers, 1 Portsoken Street, Aldgate, London E1 8HZ	Dormant	£1 share	100%

<u>Associated undertaking</u>	<u>Registered office</u>	<u>Principal activity</u>	<u>Holding</u>	<u>%</u>
Wellington Place Limited Partnership	Lloyds Chambers, 1 Portsoken Street, Aldgate, London E1 8HZ	Investment property	10,000	17.86%

##### **6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>2016</u>	<u>2015</u>
	£	£
Amounts owed by group undertakings	1,477	1,343
Called up share capital not paid	10,000	10,000
	<u>11,477</u>	<u>11,343</u>

The amounts owed by group undertakings are repayable on demand and do not attract interest.

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**WELLINGTON PLACE GENERAL PARTNER LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2016**

<b>7. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b><u>2016</u></b>	<b><u>2015</u></b>
	<b>£</b>	<b>£</b>
Corporation tax	96	41
Amounts owed to group undertakings	10,116	10,116
	<u>10,212</u>	<u>10,157</u>

The amounts owed to group undertakings are repayable on demand and do not attract interest.

<b>8. CALLED UP SHARE CAPITAL</b>	<b><u>2016</u></b>	<b><u>2015</u></b>
	<b>£</b>	<b>£</b>
Allotted and unpaid: Ordinary shares of £1 each	10,000	10,000

The holders of ordinary shares are entitled to vote at any general meeting of the Company.

**9. RELATED PARTIES**

Amounts due to and due from group undertakings are disclosed in notes 6 and 7 of these financial statements.

**10. CONTROLLING PARTY**

The Directors regard the BT Pension Scheme as the Company's immediate and ultimate parent controlling entity. It is also the parent of the smallest and largest group of which Wellington Place General Partner Limited is a *member and for which consolidated accounts are drawn up*. The consolidated accounts of this group are available from Lloyds Chambers, 1 Portsoken Street, London E1 8HZ.

**11. SUBSEQUENT EVENTS**

In the opinion of the Directors, there are no significant events subsequent to the year end that are deemed necessary to be adjusted or disclosed in the financial statements.

Registered number  
LP010572

**WELLINGTON PLACE LIMITED PARTNERSHIP**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

THESE PARTNERSHIP  
ACCOUNTS FORM  
PART OF THE ACCOUNTS  
OF COMPANY  
No. 05483274



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## **WELLINGTON PLACE LIMITED PARTNERSHIP**

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### **GENERAL PARTNER'S REPORT**

The General Partner presents its annual report and audited financial statements of Wellington Place Limited Partnership (the "Partnership") for the year ended 31 December 2016.

Wellington Place Limited Partnership (the 'Partnership') is regulated by a Partnership Deed dated 4 July 2005.

### **PRINCIPAL ACTIVITIES**

The Partnership's principal activity during the year continued to be property investment. The General Partner does not foresee any material changes in the scope or nature of the Partnership's activity for the forthcoming year.

The Partnership's properties were valued by chartered surveyors, CBRE as independent external valuers on the basis of open market value as defined in the RICS Appraisal and Valuation Manual issued by the Royal Institution of Chartered Surveyors.

### **GOING CONCERN**

The General Partner has a reasonable expectation that the Partnership has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis. Further details regarding the adoption of the going concern basis can be found in note 2 of the financial statements.

### **RESULTS**

The results for the year are set out in the attached statement of comprehensive income. The Partnership's turnover has increased in the year to £4,494,568 (2015: £4,252,257). The total comprehensive loss for the financial year was £1,355,083 (2015: total comprehensive income for the year £16,466,778).

### **DISTRIBUTIONS**

Distributions of £3,116,667 (2014: £3,005,365) have been declared and approved during the year.

## **WELLINGTON PLACE LIMITED PARTNERSHIP**

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### **GENERAL PARTNER'S REPORT - (CONTINUED)**

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

So far as the General Partner is aware, there is no relevant audit information of which the Partnership's auditor is unaware, and the General Partner has taken all the steps that it ought to have taken as a general partner in order to make itself aware of any relevant audit information and to establish that the Partnership's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of Section 418 of the Companies Act 2006.

This General Partner's report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption as applicable to limited partnerships.

Approved by the General Partner on 30 March 2017 and signed on its behalf by:



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Nicholas Randall

Director, Wellington Place General Partner Limited



## **WELLINGTON PLACE LIMITED PARTNERSHIP**

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### **GENERAL PARTNER'S RESPONSIBILITIES STATEMENT IN RESPECT OF THE FINANCIAL STATEMENTS**

The General Partner is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations and the Partnership Deed.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has elected to prepare the financial statements for the partnership in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland." Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the 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 estimates that are reasonable and prudent; 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 Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applicable to qualifying partnerships. The General Partner is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **WELLINGTON PLACE LIMITED PARTNERSHIP**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELLINGTON PLACE LIMITED PARTNERSHIP**

We have audited the financial statements of Wellington Place Limited Partnership for the year ended 31 December 2016 the statement of comprehensive income, the statement of financial position, the statement of changes in partners' equity and the related notes 1 to 11. 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) including FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland."

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

#### **Respective responsibilities of General Partner and auditor**

As explained more fully in the General Partner's Responsibilities Statement, the General Partner is 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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the General Partner; 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 qualifying Partnership's affairs as at 31 December 2016 and of its loss 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 as applied to qualifying partnerships.

## **WELLINGTON PLACE LIMITED PARTNERSHIP**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELLINGTON PLACE LIMITED PARTNERSHIP - (CONTINUED)**

#### **Opinion 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 General Partner's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the General Partner's Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the qualifying Partnership and its environment obtained in the course of the audit, we have not identified any material misstatements in the General Partner's Report.

#### **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 as applied to qualifying

- adequate accounting records have not been kept, or returns adequate for our audit have not been received
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of the General Partner's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the General Partner was not entitled to take advantage of the small qualifying partnerships exemption in preparing the General Partner's Report or from the requirement to prepare a Strategic Report.



Andrew Evans FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Reading, United Kingdom

30 March 2017

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**WELLINGTON PLACE LIMITED PARTNERSHIP**

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**STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 DECEMBER 2016**

	<b><u>Notes</u></b>	<b><u>2016</u></b> <b>£</b>	<b><u>2015</u></b> <b>£</b>
Turnover	3	4,494,568	4,252,257
Cost of sales		(744,690)	(551,035)
<b>Gross profit</b>		<b>3,749,878</b>	<b>3,701,222</b>
Administrative expenses	4	(275,866)	(366,486)
Unrealised (decrease)/increase in fair value of investment and development properties	6	(4,818,046)	13,127,483
<b>Operating (loss)/profit</b>		<b>(1,344,034)</b>	<b>16,462,219</b>
Finance (charges)/income (net)	5	(11,049)	4,559
<b>(LOSS) / PROFIT FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR</b>		<b>(1,355,083)</b>	<b>16,466,778</b>

*(The notes on pages 9 to 14 form part of these financial statements)*

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## WELLINGTON PLACE LIMITED PARTNERSHIP

### STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	<u>Notes</u>	<u>2016</u> £	<u>2015</u> £
<b>Fixed assets</b>			
Investment and development properties	6	54,595,744	67,555,920
<b>Current assets</b>			
Debtors - amounts falling due within one year	7	38,229,325	33,275,129
Cash at bank		4,904,816	1,569,173
		43,134,141	34,844,302
<b>Creditors - amounts falling due within one year</b>	8	(2,746,239)	(2,944,826)
<b>Net current assets</b>		40,387,902	31,899,476
<b>Net assets</b>		94,983,646	99,455,396
<b>Partners' accounts</b>			
Partners' capital		56,000	56,000
Partnership advance		14,520,432	14,520,432
Profit and loss account reserve		80,407,214	84,878,964
<b>Total Partners' equity</b>		94,983,646	99,455,396

The financial statements of Wellington Place Limited Partnership (registered number LP010572) were approved by the General Partner and authorised for issue on 30 March 2017. They were signed on its behalf by:



Nicholas Randall  
Director, Wellington Place General Partner Limited

*(The notes on pages 9 to 14 form part of these financial statements)*

**WELLINGTON PLACE LIMITED PARTNERSHIP**

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

	<b>Wellington Place GP Limited £</b>	<b>Wellington Place Unit Trust £</b>	<b>Total £</b>
<b>Partners' capital</b>			
Balance at 1 January 2015, 1 January 2016 and 31 December 2016	10,000	46,000	56,000
<b>Partnership advance</b>			
Balance at 1 January 2015, 1 January 2016 and 31 December 2016	-	14,520,432	14,520,432
<b>Total Partners' contribution</b>	10,000	14,566,432	14,576,432
<b>Profit and loss account</b>			
Balance at 1 January 2015	5,494	71,412,057	71,417,551
Total comprehensive income for the year	943	16,465,835	16,466,778
Distributions payable	(172)	(3,005,193)	(3,005,365)
Balance at 31 December 2015	6,265	84,872,699	84,878,964
Total comprehensive loss for the year	(78)	(1,355,005)	(1,355,083)
Distributions payable	(179)	(3,116,488)	(3,116,667)
Balance at 31 December 2016	6,008	80,401,206	80,407,214
<b>Total Partners' accounts</b>	16,008	94,967,638	94,983,646

*(The notes on pages 9 to 14 form part of these financial statements)*

## **WELLINGTON PLACE LIMITED PARTNERSHIP**

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### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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

Wellington Place Limited Partnership (the "Partnership") was established on 4 July 2005 in the United Kingdom under the 1907 Limited Partnership Act. The address of the registered office is 1 Portsoken Street London, E1 8HZ. The principal activity of the Partnership is property investment.

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

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding year.

###### **Basis of preparation**

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 ("FRS 102") issued by the Financial Reporting Council. The financial statements have been prepared under Regulation 4 of the Partnership (Accounts) Regulation 2008.

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

The principal activity of the Partnership is property investment. The Partnership's turnover has increased in 2016. The UK economy has seen further recovery in 2016 and is forecast to continue to strengthen. The outlook for the commercial real estate sector in 2017 is favourable with improved occupier and investor demand anticipated.

The General Partner's forecasts and projections, taking into account possible changes in trading performance, planned development spend and funding contributions agreed with the Limited Partners show that the Partnership has adequate resources to continue in operational existence for the foreseeable future. In preparing these forecasts, the General Partner has taken into account the following key business risks and uncertainties:

- Market risks on demand and supply;
- Yield shift movements;
- Possible failure of tenants and reductions in net rental income; and
- Increased capital expenditure required to maintain the assets.

Having taken into account the risks and uncertainties that exist within the business, the General Partner has concluded that the Partnership has adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, it is appropriate to continue to adopt the going concern basis in preparing these financial statements.

## **WELLINGTON PLACE LIMITED PARTNERSHIP**

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### **NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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

##### **Judgements and key sources of estimation uncertainty**

The preparation of financial statements in accordance with FRS 102 requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expense during the year. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The key assumptions concerning the future and other key sources of estimation uncertainty that have the most significant effect on the amounts recognised in the financial statements, relate to property valuations.

Investment properties are carried at fair value determined by market value in accordance with valuations carried out by the independent valuers. Valuations are based on a number of key assumptions including an estimate of future rental income and appropriate discount rate. For investment properties under development key judgements also include estimates of future development costs.

##### **Investment and development properties**

Investment and development properties comprise freehold land and buildings and is initially stated at cost being the value of the consideration given including directly attributable costs, including any related transaction cost, and subsequently measured at fair value through profit or loss. Fair value changes are recognised in the statement of comprehensive income in the period in which they arise.

##### **Financial assets and liabilities**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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

The Partnership's financial assets consist only of trade and other receivables, and cash.

Trade and other receivables are recognised initially at transaction price less attributable transaction costs and are subsequently measured at amortised cost using the effective interest method, less provision for impairment.



## **WELLINGTON PLACE LIMITED PARTNERSHIP**

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### **NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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

### **Financial assets and liabilities - (continued)**

The General Partner assesses, at each financial position date, whether there is objective evidence that a financial asset or group of financial assets is impaired. If there is objective evidence (such as significant financial difficulty of the obligor, breach of contract, or it becomes probable that the debtor will enter bankruptcy), the asset is tested for impairment. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (that is, the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in the Statement of Comprehensive Income.

In relation to trade and other receivables, 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 Partnership will not be able to collect all of the amounts due under the original terms of the invoice. Impaired debts are derecognised when they are assessed as uncollectible.

If in subsequent periods the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. Any subsequent reversal of an impairment loss is recognised in the Statement of Comprehensive Income.

Debt instruments that have no stated interest rate (and do not constitute a financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment. Other debt instruments not meeting these conditions are measured at fair value through profit or loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

### **Rental income**

Rental income is recognised in the statement of comprehensive income on a straight line basis over the lease term, net of discounts and VAT. All incentives given for lessees to enter into leases (such as contributions to fitting out costs) are treated as revenue costs and rental income is accounted for from the commencement of a lease rather than from the expiry of any rent free periods. The costs of all incentives, including rent free periods, are offset against the total rent due and allocated to the statement of comprehensive income on a straight line basis over the period.

### **Income and expenses**

Income and expenses are recognised on an accrual basis.

### **Taxation**

The Partnership is not a taxable entity. Any liabilities arising from the results of the Partnership are dealt with in the financial statements of the Partners.

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**WELLINGTON PLACE LIMITED PARTNERSHIP**

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**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2016****3. TURNOVER**

The Partnership's turnover consists solely of rental income generated in the United Kingdom.

**4. ADMINISTRATIVE EXPENSES**

The Partnership did not employ any persons as it is administered under an Asset Management Agreement with MEPC Limited. Included within administrative expenses are audit fees of £23,925 (2015: £20,770), including £4,000 (2015: £4,000) for the audit of Wellington Place General Partner Limited. There are no non-audit fees payable to the auditors (2015: £nil).

**5. FINANCE (CHARGES)/INCOME (NET)**

	<u>2016</u>	<u>2015</u>
	£	£
Interest receivable and similar income:		
Other interest receivable	-	5,089
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Interest payable and similar expenses:		
Other interest payable/charges	(11,049)	(530)
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	<u>(11,049)</u>	<u>4,559</u>

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**WELLINGTON PLACE LIMITED PARTNERSHIP**

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**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2016**

<b>6. INVESTMENT AND DEVELOPMENT PROPERTIES</b>	<b><u>2016</u></b> <b>£</b>	<b><u>2015</u></b> <b>£</b>
Opening balance	67,555,920	54,426,548
Capital expenditure	79,576	1,889
Disposed during the year	(8,221,706)	-
(Decrease)/increase in fair value	(4,818,046)	13,127,483
	<u>54,595,744</u>	<u>67,555,920</u>

Investments and development properties, which are all freehold, were valued at 31 December 2016 on the basis of open market value as defined in the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual, by chartered surveyors CBRE as external valuers. The valuation was £54,660,000 (2015: £67,560,000). The book value of investment and development properties totalling £54,595,744 (2015: £67,555,920) is stated after reclassifying £64,256 (2015: £4,080) of lease incentive costs under debtors: rent and sundry receivables.

The historical cost of properties at 31 December 2016 was £15,892,060 (2015: £15,812,484).

On 23 August 2016 the partnership sold Site 2 to Hermes Wellington Place Site 2 Limited Partnership for proceeds of £8,221,706 (book value of £8,221,706).

As at 31 December 2016 the partnership had capital commitments of £nil (2015: £nil) for works which were contracted but not provided for.

At the statement of financial position date, the Partnership had contracted with tenants for the following future minimum lease payments:

	<b><u>2016</u></b> <b>£</b>	<b><u>2015</u></b> <b>£</b>
Within one year	3,088,422	3,732,622
In the second to fifth years inclusive	5,380,732	8,678,330
After five years	1,949,725	3,053,388
	<u>10,418,879</u>	<u>15,464,340</u>

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**WELLINGTON PLACE LIMITED PARTNERSHIP**

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**NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2016**

<b>7. DEBTORS</b>	<b><u>2016</u></b>	<b><u>2015</u></b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Rent and sundry receivables	130,664	94,749
Amounts owed by group undertakings	36,181,264	32,142,241
Other debtors	1,917,397	1,038,139
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	38,229,325	33,275,129
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The amounts owed by group undertakings are repayable on demand and do not attract interest.

<b>8. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b><u>2016</u></b>	<b><u>2015</u></b>
	<b>£</b>	<b>£</b>
Trade creditors	83,909	36,374
Other taxation and social security costs	353,196	430,923
Amounts owed to group undertakings	848,349	939,290
Other creditors	142	142
Accruals and deferred income	1,460,643	1,538,097
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	2,746,239	2,944,826
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The amounts owed to group undertakings are repayable on demand and do not attract interest.

**9. RELATED PARTY TRANSACTIONS**

During the year the Partnership was charged fees of £185,071 (2015: £281,808) by MEPC Limited, a fellow subsidiary of BT Pension Scheme. Outstanding amounts of £51,161 (2015: £152,280) in respect of these fees are included in note 8 under Amounts owed to group undertakings.

**10. ULTIMATE CONTROLLING PARTY**

The ultimate parent company and the smallest and largest group in which the results of the Partnership are consolidated is that headed by the BT Pension Scheme. The consolidated financial statements of this group are available from Lloyds Chambers, Portsoken Street, London, E1 8HZ.

**11. SUBSEQUENT EVENTS**

In the opinion of the General Partner, there are no significant events subsequent to the year end that are deemed necessary to be adjusted or disclosed in the financial statements.