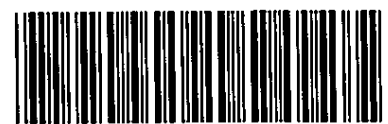


Registered Number 07243935

20 FENCHURCH STREET (GP) LIMITED
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

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COMPANIES HOUSE

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Directors' Report for the year ended 31 March 2016

The directors present their report with the audited financial statements of the Company for the year ended 31 March 2016

RESULTS FOR THE YEAR AND DIVIDEND

There was no activity in the Income Statement and Statement of Cashflows for the year ended 31 March 2016 and consequently no Income Statement and Statement of Cashflows has been disclosed

The directors do not recommend the payment of a dividend for the year ended 31 March 2016 (2015 £Nil)

PRINCIPAL ACTIVITY, REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The Company is an investment holding company and acts as general partner to the 20 Fenchurch Street Limited Partnership. No changes in the Company's principal activity are anticipated in the foreseeable future

DIRECTORS

The directors who held office during the year and up to the date of this report unless otherwise stated were

R D S Archer	
A J S Jordan	
T C Elliott	(resigned 1 September 2016)
H F Houston	
J Wade	(appointed 1 September 2016)

INDEMNITY

The Company has made qualifying third party indemnity provisions for the benefit of the respective directors which were in place throughout the year and which remain in place at the date of this report

CREDITOR PAYMENT POLICY

The Company agrees the terms and conditions under which business transactions with its suppliers are conducted. It is policy that payments to suppliers are made in accordance with these terms, provided that the supplier is also complying with all relevant terms and conditions. Trade creditors at 31 March 2016 were equivalent to 28 days of purchases during the year ended on that date

SMALL COMPANIES EXEMPTION

The Directors' Report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

STRATEGIC REPORT

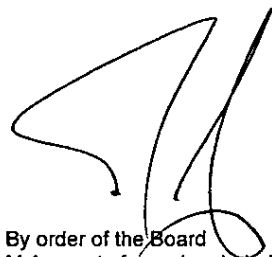
The Company has taken advantage of the exemption under s414B of the Companies Act 2006 not to prepare a Strategic Report

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITOR

In the case of each director in office at the date the Directors' Report is approved, the following applies

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

Registered Office
5 Strand
London
WC2N 5AF



By order of the Board
M Arnaouti, for and on behalf of LS Company Secretaries Limited,
Company Secretary
17 November 2016

Registered and domiciled in England and Wales
Registered number 07243935

Directors' Responsibilities for the year ended 31 March 2016**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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 prepared the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to

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

Independent Auditor's Report to the Members of 20 Fenchurch Street (GP) Limited for the year ended 31 March 2016

We have audited the financial statements of 20 Fenchurch Street (GP) Limited for the year ended 31 March 2016 which comprise the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

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 set out on page 2, 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 Financial Statements 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 March 2016,
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Ernst & Young LLP

Daniel Saunders (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP
Statutory Auditor
London

22 November 2016

Balance Sheet as at 31 March 2016
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	Notes	31 March 2016 £	31 March 2015 £
Non-current assets			
Investments in subsidiary undertakings	6	2	2
Investments in joint ventures	7	1	1
Total non-current assets		<u>3</u>	<u>3</u>
Current assets			
Trade and other receivables	8	997	997
Total current assets		<u>997</u>	<u>997</u>
Total assets		<u>1,000</u>	<u>1,000</u>
Net assets		<u>1,000</u>	<u>1,000</u>
Equity			
Capital and reserves attributable to owners of the Parent			
Ordinary shares	9	1,000	1,000
Retained earnings		-	-
Total Equity		<u>1,000</u>	<u>1,000</u>

The financial statements on pages 4 to 8 were approved by the Board of Directors on 17 November 2016 and were signed on its behalf by

J Wade
Director



A Jordan
Director



Statement of changes in equity

	Ordinary shares £	Total £
At 1 April 2014	1,000	1,000
Total comprehensive income for the year to 31 March 2015	-	-
At 31 March 2015	<u>1,000</u>	<u>1,000</u>
Total comprehensive income for the year to 31 March 2016	-	-
At 31 March 2016	<u>1,000</u>	<u>1,000</u>

1 Basis of preparation

Basis of preparation

These financial statements have been prepared on a going concern basis and in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs). The financial statements are prepared under the historical cost convention.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2016. The financial statements are prepared in Sterling.

2. Significant accounting policies

The accounting policies which follow set out those which apply in preparing the financial statements for the year ended 31 March 2016.

(a) Investment in a joint venture

Investments in a joint venture / associate undertaking are carried at cost, less any repayment of joint venture capital and provision for impairment in value.

(b) Investment in subsidiary undertakings

Investments in subsidiary undertakings are stated at cost in the Company's balance sheet, less any provision for impairment in value.

(c) Trade and other receivables

Trade and other receivables are recognised initially at fair value, subsequently at amortised cost and, where relevant, adjusted for the time value of money. 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 receivables concerned. If collection is expected in more than one year, they are classified as non-current assets.

(d) Income taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the tax payable on the taxable income for the year and any adjustment in respect of previous years. Deferred tax is provided in full using the balance sheet liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the asset is realised or the liability is settled.

No provision is made for temporary differences (i) arising on the initial recognition of assets or liabilities, other than on a business combination, that affect neither accounting nor taxable profit and (ii) relating to investments in subsidiaries to the extent that they will not reverse in the foreseeable future.

(e) Group accounts

The financial statements present information about the Company as an individual undertaking and not about its group. The Company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is jointly controlled by Land Securities Group PLC and Canary Wharf Group Investment Holdings plc, companies incorporated in England and Wales and whose consolidated financial statements are publicly available.

(f) Amendments to IFRS standards not yet applicable

The following accounting standards or interpretations were effective for the financial year beginning 1 April 2015 and have been applied in preparing these financial statements to the extent they are relevant to the preparation of financial information.

IAS 19 (amendment) 'Defined Benefit Plans: Employee Contributions amendments to IAS 19'

Annual Improvements to the IFRSs 2010-2012 Cycle (various standards)

None of the standards above have impacted the Company's reporting.

The following accounting standards and interpretations which are relevant to the Company have been issued, but are not yet effective.

IAS 1 (amendment) 'Disclosure Initiative'

Annual Improvements to the IFRSs 2012-2014 Cycle (various standards)

These standards and interpretations have not been early adopted by the Company. The Company is in the process of assessing the impact of these new standards and interpretations on its financial reporting.

(g) Intercompany loans

Intercompany loans are recognised initially at fair value less attributable transaction costs. Subsequently to initial recognition, intercompany loans are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in the income statement over the period of the loan, using the effective interest method.

(h) Trade and other payables

Trade and other payables with no stated interest rate and payable within one year are recorded at transaction price. Trade and other payables after one year are discounted based on amortised cost method using the effective interest rate.

3. Critical accounting judgements and key estimations of uncertainty

The Company's significant accounting policies are stated in note 2 above. Not all of these significant accounting policies require management to make difficult, subjective or complex judgements or estimates. The following is intended to provide an understanding of the policies that management consider critical because of the level of complexity, judgement or estimation involved in their application and their impact on the consolidated financial statements. These judgements involve assumptions or estimates in respect of future events. Actual results may differ from these estimates.

(a) Trade and other receivables

The Company is required to judge when there is sufficient objective evidence to require the impairment of individual trade receivables. It does this on the basis of the age of the relevant receivables, external evidence of the credit status of the counterparty and the status of any disputed amounts.

4. Management and administrative expenses

(a) Directors' remuneration

The directors of the Company received no emoluments for their services to the Company. The amounts allocated to services for this Company were £Nil (2015: £Nil).

(b) Auditor remuneration

The auditor's remuneration amounts to £1,749 (2015: £1,749). In accordance with the Limited Partnership Agreement (LPA), the auditors' remuneration has been borne by 20 Fenchurch Street Limited Partnership. The auditor received no remuneration for non-audit services provided to the Company during the year (2015: £Nil).

5. Income tax

	2016 £	2015 £
Current tax		
Income tax on profit for the year	-	-
Total income tax charge in the income statement	-	-
Factors affecting the tax charge / (credit) for the year		
The current income tax charge for the year equates to (2014: equates to) the small companies rate of corporation tax in the UK of 20% (2015: 20%)		
Results before tax	-	-
Results before tax multiplied by the rate of corporation tax in the UK of 20% (2015: 20%)	-	-
Effects of		
Share of losses of a joint venture	(2)	(14)
Unutilised tax losses carried forward	2	14
Total income charge in the income statement (as above)	-	-

6. Investment in subsidiary undertakings

	£
At 31 March 2015 and 31 March 2016	2

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The subsidiary undertakings of the Company are

Name	Class of shares owned	Percentage of share capital owned	Principal country of incorporation	Nature of business
20 Fenchurch Street Nominee No 1 Limited	£1 Ordinary shares	100%	England	Dormant
20 Fenchurch Street Nominee No 2 Limited	£1 Ordinary shares	100%	England	Dormant

One share is owned in each subsidiary disclosed above.

7 Investment in a joint venture

At 31 March 2015 and 31 March 2016

£

1

The directors believe that the carrying value of the investments is supported by their underlying net assets

The Company owns 0.01% of the 20 Fenchurch Street Limited Partnership which is a joint venture and draws up accounts to 31 March. The 20 Fenchurch Street Limited Partnership is a joint venture between LS 20 Fenchurch Street Limited and Canary Wharf FS Unit Trust, which owns and has developed a site in the city of London.

8. Trade and other receivables

	2016 £	2015 £
Amounts owed by related party	997	997
Total trade and other receivables	997	997

The amount due from related parties are repayable on demand with no fixed repayment date and no interest.

9. Ordinary share capital

	2016 Number	Issued 2015 Number	Allotted and fully paid 2016 £	2015 £
Ordinary A shares of £ 1.00 each	250	250	250	250
Ordinary B shares of £ 1.00 each	250	250	250	250
Ordinary C shares of £ 1.00 each	250	250	250	250
Ordinary D shares of £ 1.00 each	250	250	250	250
	1,000	1,000	1,000	1,000

There is no difference in voting rights, rights to dividends and rights on the winding up of the Company for each share class.

10. Related party transactions

At the year end, an amount of £997 (2014: £997) remained outstanding from Land Securities Properties Limited, a related party. The amount is repayable on demand with no fixed payment date or interest. There was no movement (2015: no movement) in the year.

11 Ultimate controlling party

The company is jointly owned by LS 20 Fenchurch Street (GP) Investments Limited and Canary Wharf (FS Two) Limited.

Therefore, by virtue of this shareholding, there is no ultimate controlling party.

Registered Number LP013933

20 FENCHURCH STREET LIMITED PARTNERSHIP
FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

THESE PARTNERSHIP
ACCOUNTS FORM
PART OF THE ACCOUNTS
OF COMPANY
No 7243938



COMPANIES HOUSE

Strategic Report for the year ended 31 March 2016

The General Partner presents the strategic report with audited financial statements of the Limited Partnership for the year ended 31 March 2016

RESULTS FOR THE YEAR

The results are set out in the Income Statement on page 5

REVIEW OF THE BUSINESS

In accordance with the Limited Partnership Deed dated 18 October 2010, the principal activity of the Limited Partnership is property development and investment. No changes in the Limited Partnership's principal activity are anticipated in the foreseeable future.

KEY PERFORMANCE INDICATORS

The general partners assess the performance of the Limited Partnership by reference to the valuation surplus / deficit upon revaluation of the Limited Partnership's investment properties and profit before tax.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk facing the Limited Partnership is that poor performance of the investment property might have a material impact on the asset valuation and rental income in the financial statements. The Limited Partnership's performance during the year indicates a satisfactory performance of the investment property held.

FINANCIAL RISK MANAGEMENT

The Limited Partnership is exposed to liquidity risk, credit risk and interest rate risk. Given the absence of external borrowings in the Limited Partnership, these risks are not considered material.

While the Limited Partnership has minimal short term liquidity requirements, any funding requirements could be covered by committed facilities held by other group companies.

The Limited Partnership's principal financial assets are trade and other debtors, and therefore the credit risk it faces is primarily attributable to its trade debtors. The amounts presented in the Balance Sheet are net of doubtful debts. An allowance for impairment is made where there is objective evidence that the Limited Partnership will not be able to collect all amounts due according to the original terms of the debtors concerned.

There is no material difference between the book value and the fair value of the financial instruments.

Registered Office
5 Strand
London
WC2N 5AF



By order of the Board
M Arnaouti, for and on behalf of LS Company Secretaries Limited,
Company Secretary
17 November 2016

Registered in England and Wales
Registered number LP013933

General Partner's Report for the year ended 31 March 2016

The General Partner presents the report with the audited financial statements of the 20 Fenchurch Street Limited Partnership ('the Limited Partnership') for the year ended 31 March 2016

PRINCIPAL ACTIVITY

The Limited Partnership has continued its business of property development and investment

DIVIDEND

The General Partner does not recommend the payment of a dividend for the year ended 31 March 2016 (2015 £Nil)

POST BALANCE SHEET EVENTS

The directors note the uncertainty - and consequential volatility in the property and capital markets - since the UK voted to leave the European Union in the 23 June 2016 referendum. This uncertainty may have a negative impact on UK property valuations in future periods and is not currently reflected in the balance sheet at 31 March 2016

PARTNERS

20 Fenchurch Street (GP) Limited, acts as the General Partner to the Limited Partnership. The Limited Partners and their respective percentage holdings are shown below

LS 20 Fenchurch Street Limited	49.995%
Canary Wharf FS Unit Trust	49.995%

INDEMNITY

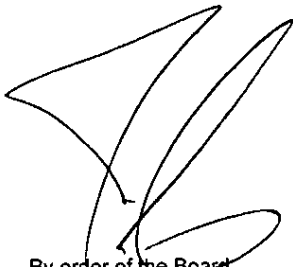
The Limited Partnership has made qualifying third party indemnity provisions for the benefit of the respective directors which were in place throughout the year and which remain in place at the date of this report

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITOR

In the case of each director of the General Partner in office at the date the General Partners' Report is approved, the following applies

- so far as the director is aware, there is no relevant audit information of which the Limited Partnership's auditor is unaware, and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Limited Partnership's auditor is aware of that information

Registered Office
5 Strand
London
WC2N 5AF



By order of the Board
M Arnaouti, for and on behalf of LS Company Secretaries Limited,
Company Secretary
17 November 2016

Registered and domiciled in England and Wales
Registered number LP013933

General Partner's Responsibilities for the year ended 31 March 2016**GENERAL PARTNER'S RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF THE FINANCIAL STATEMENTS**

The General Partner is responsible for preparing the Strategic Report, the General Partners Report and the financial statements in accordance with applicable law and regulations

The Limited Partnership Agreement requires the General Partner to prepare financial statements for each financial year. The General Partner has prepared the partnership financial statements in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs). The General Partner 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 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 accounting estimates that are reasonable and prudent,
- state whether applicable International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the partnership will continue in business

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the partnership's transactions and disclose with reasonable accuracy at any time the financial position of the partnership. They are 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.

Independent Auditor's Report to the Members of 20 Fenchurch Street Limited Partnership for the year ended 31 March 2016

We have audited the financial statements of 20 Fenchurch Street Limited Partnership for the year ended 31 March 2016 which comprise the Income Statement, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses, the Reconciliation of Movements in Members' Funds and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditor

As explained more fully in the General Partner's Responsibilities Statement set out on page 3, 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 members, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Financial Statements 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 March 2016 and of its profit for the year then ended,
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by The Partnerships (Accounts) Regulations 2008.

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 partnerships requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of members' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Ernst & Young LLP

Daniel Saunders (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP
Statutory Auditor
London

22 November 2016

Income Statement for the year ended 31 March 2016

	Notes	2016 £'000	2015 £'000
Revenue Gross property income	4	44,697	37,278
Net rental income	4	33,315	28,612
Property management and administrative expenses	5	(925)	(1,020)
Net surplus on revaluation of investment property	7	86,772	186,225
Profit on disposal of investment properties	7	1,197	-
Operating profit		120,359	213,817
Interest income	6	12	2
Interest expense	6	(32,322)	(28,270)
Profit for the financial year		88,049	185,549

Statement of comprehensive income for the year ended 31 March 2016

	Notes	2016 £'000	2015 £'000
Profit for the financial year	14	88,049	185,549
Other comprehensive income for the financial year		-	-
Total comprehensive income for the financial year	14	88,049	185,549

All amounts are derived from continuing activities

Balance Sheet as at 31 March 2016

	Notes	31 March 2016 £'000	31 March 2015 £'000
Non-current assets			
Investment property	7	1,008,079	916,357
Total non-current assets		1,008,079	916,357
Current assets			
Trade and other receivables	9	70,984	35,936
Cash and cash equivalents	10	12,218	5,974
Total current assets		83,202	41,910
Total assets		1,091,281	958,267
Current liabilities			
Trade and other payables	11	(19,911)	(335,380)
Interest payable on unsecured loans	11	-	(59,094)
Total current liabilities		(19,991)	(394,474)
Non-current liabilities			
Trade and other payables	11	(328,032)	-
Interest payable on unsecured loans	11	(91,416)	-
Total non-current liabilities		(419,448)	-
Total liabilities		(439,439)	(394,474)
Net assets		651,842	563,793
Capital and reserves			
Partners' capital accounts	13	92,410	92,410
Partners' current accounts	14	559,432	471,383
Partners' funds		651,842	563,793

The financial statements on pages 5 to 15 were approved by the General Partner on 17 November 2016 and were signed on its behalf by

J Wade
Director
20 Fenchurch Street (GP) Limited

A Jordan
Director
20 Fenchurch Street (GP) Limited

Statement of changes in equity

	Partners' capital account £'000	Partners' current account £'000	Total £'000
At 1 April 2014	92,410	285,834	378,244
Total comprehensive income for the year ended 31 March 2015	-	185,549	185,549
At 31 March 2015	<u>92,410</u>	<u>471,383</u>	<u>563,793</u>
Total comprehensive income for the year ended 31 March 2016	-	88,049	88,049
At 31 March 2016	<u>92,410</u>	<u>559,432</u>	<u>651,842</u>

Statement of Cash Flows for the year ended 31 March 2016

	2016 £'000	2015 £'000
Operating activities		
Profit before tax	88,049	185,549
Adjustments to reconcile profit before tax to net cash flows		
Interest income	(12)	(2)
Interest expense	32,322	28,270
Revaluation of investment property	(86,772)	(186,225)
Gain on disposal of property	(1,197)	-
Working capital adjustments		
Increase in receivables	(35,049)	(22,790)
(Decrease) in payables	(627)	(2,021)
	<u>(3,286)</u>	<u>2,781</u>
Interest received	12	2
Interest paid	(800)	795
Net cash flows (used in) / from operating activities	<u>(4,074)</u>	<u>3,578</u>
Investing activities		
Proceeds from sale of investment property	14,650	-
Purchase and development of investment property	(6,072)	(42,306)
Net cash flows from / (used in) investing activities	<u>8,578</u>	<u>(42,306)</u>
Financing activities		
Partners' advances	1,740	43,895
Net cash flows used in financing activities	<u>1,740</u>	<u>43,895</u>
Net movement in cash and cash equivalents in the year	6,244	5,167
Cash and cash equivalents at 1 April	5,974	807
Cash and cash equivalents at 31 March	<u>12,218</u>	<u>5,974</u>

1. Basis of preparation

These financial statements have been prepared on a going concern basis and in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs). The financial statements are prepared under the historical cost convention as modified by the revaluation of investment property and interest rate swaps.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2016. The financial statements are prepared in Sterling and are rounded to the nearest thousand pounds (£000).

2 Significant accounting policies

The accounting policies which follow set out those which apply in preparing the financial statements for the year ended 31 March 2016.

(a) Investment property

Investment properties are measured initially at cost, including related transaction costs. After initial recognition at cost, investment properties are carried at their fair values based on market value determined by professional independent valuers at each reporting date. The difference between the fair value of an investment property at the reporting date and its carrying amount prior to re-measurement is included in the income statement as a valuation surplus or deficit. Property is treated as acquired at the point when the Limited Partnership assumes the significant risks and returns of ownership and as disposed when these are transferred to the buyer. This generally occurs on unconditional exchange, except where completion is expected to occur significantly after exchange. Additions to investment properties consist of costs of a capital nature and, in the case of investment property under development, capitalised interest. Certain internal staff and associated costs directly attributable to the management of major schemes during the construction phase are also capitalised.

When the Limited Partnership begins to redevelop an existing investment property for continued future use as an investment property, the property remains an investment property and is accounted for as such. When the Limited Partnership begins to redevelop an existing investment property with a view to sell, the property is transferred to trading property and held as a current asset. The property is re-measured to fair value as at the date of the transfer with any gain or loss being taken to the income statement. The re-measured amount becomes the deemed cost at which the property is then carried in trading property.

Borrowing costs associated with direct expenditure on property (both trading and investment) under development or undergoing major refurbishment are capitalised. The interest capitalised is calculated using the Limited Partnerships weighted average cost of borrowings after adjusting for borrowings associated with specific developments. Where borrowings are associated with specific developments, the amount capitalised is the gross interest incurred on those borrowings less any investment income arising on their temporary investment. Interest is capitalised as from the commencement of the development work until the date of practical completion. The capitalisation of finance costs is suspended if there are prolonged periods when development activity is interrupted. Interest is also capitalised on the purchase cost of land or property acquired specifically for redevelopment in the short-term but only where activities necessary to prepare the asset for redevelopment are in progress.

(b) Trade and other receivables

Trade and other receivables are recognised initially at fair value, subsequently at amortised cost and, where relevant, adjusted for the time value of money. A provision for impairment is established where there is objective evidence that the Limited Partnership will not be able to collect all amounts due according to the original terms of the receivables concerned. If collection is expected in more than one year, they are classified as non-current assets.

(c) Cash and cash equivalents

Cash and cash equivalents comprises cash balances, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or fewer. Bank overdrafts that are repayable on demand and form an integral part of the Limited Partnership's cash management are deducted from cash and cash equivalents for the purpose of the statement of cash flows.

(d) Revenue

Rental income from investment property leased out under an operating lease is recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives granted are an integral part of the net consideration for the use of the property and are therefore recognised on the same straight-line basis. Service charges and other recoveries are recorded as income in the periods in which they are earned.

When property is let under a finance lease, the Limited Partnership recognises a receivable at an amount equal to the net investment in the lease at inception of the lease. Rentals received are accounted for as repayments of principal and finance income as appropriate. Finance income is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining net investment in the finance lease. Contingent rents, being lease payments that are not fixed at the inception of a lease, for example turnover rents, are recorded as income in the periods in which they are earned.

(e) Expenses

Property and contract expenditure is expensed as incurred with the exception of expenditure on long-term development contracts (see note 5).

Rental payments made under an operating lease are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are an integral part of the net consideration for the use of the property and also recognised on a straight-line basis.

Minimum lease payments payable on finance leases and operating leases accounted for as finance leases under IAS 40 are apportioned between finance expense and reduction of the outstanding liability. Finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining liability. Contingent rents (as defined in (k) above) are charged as an expense in the periods in which they are incurred.

2. Significant accounting policies (continued)

(f) Interest

Interest is accounted for on an accruals basis

(g) Amendments to IFRS standards not yet applicable

The following accounting standards or interpretations were effective for the financial year beginning 1 April 2015 and have been applied in preparing these financial statements to the extent they are relevant to the preparation of financial information

IAS 19 (amendment) 'Defined Benefit Plans Employee Contributions amendments to IAS 19'

Annual Improvements to the IFRSs 2010-2012 Cycle (various standards)

None of the standards above have impacted the Limited Partnership's reporting

The following accounting standards and interpretations which are relevant to the Limited Partnership have been issued, but are not yet effective

IFRS 15 'Revenue from Contracts with Customers'

IFRS 16 'Leases'

IAS 1 (amendment) 'Disclosure Initiative'

Annual Improvements to the IFRSs 2012-2014 Cycle (various standards)

These standards and interpretations have not been early adopted by the Limited Partnership. The Limited Partnership is in the process of assessing the impact of these new standards and interpretations on its financial reporting

(h) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement

Company is the lessee

i) Operating lease – leases in which substantially all risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease

ii) Finance lease – leases of assets where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised within investment properties at the commencement of the lease at the lower of the fair value of the property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in current and non-current borrowings. The finance charges are charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The investment properties acquired under finance leases are subsequently carried at their fair value

Company is the lessor

i) Operating lease – properties leased out to tenants under operating leases are included in investment properties in the balance sheet

ii) Finance lease – when assets are leased out under a finance lease, the present value of the minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income

Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return. Where only the buildings element of a property lease is classified as a finance lease, the land element is shown within operating leases

(i) Intercompany loans

Intercompany loans are recognised initially at fair value less attributable transaction costs. Subsequently to initial recognition, intercompany loans are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in the income statement over the period of the loan, using the effective interest method

(j) Trade and other payables

Trade and other payables with no stated interest rate and payable within one year are recorded at transaction price. Trade and other payables after one year are discounted based on amortised cost method using the effective interest rate

3 Critical accounting judgements and key estimations of uncertainty

The Limited Partnership's significant accounting policies are stated in note 2 above. Not all of these significant accounting policies require management to make difficult, subjective or complex judgements or estimates. The following is intended to provide an understanding of the policies that management consider critical because of the level of complexity, judgement or estimation involved in their application and their impact on the consolidated financial statements. These judgements involve assumptions or estimates in respect of future events. Actual results may differ from these estimates.

(a) Investment property valuation

The Limited Partnership uses the valuation performed by its external valuer, CBRE Limited, as the fair value of its investment property.

The valuation of the Limited Partnership's property portfolio is inherently subjective due to, among other factors, the individual nature of the property, its location and the expected future rental revenues from that particular property. As a result, the valuations the Limited Partnership places on its property portfolio are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particularly in periods of volatility or low transaction flow in the property market.

The investment property valuation contains a number of assumptions upon which CBRE Limited has based its valuation of the Limited Partnership's property as at 31 March 2016. The assumptions on which the valuations have been based include, but are not limited to, matters such as the tenure and tenancy details for the property, ground conditions at the property, the structural condition of the property, prevailing market yields and comparable market transactions. These assumptions are market standard and accord with the RICS Valuation Standards. However, if any assumptions made by the property valuer prove to be false, this may mean that the value of the Limited Partnership's property differs from their valuation, which could have a material effect on the Limited Partnership's financial condition.

(b) Trade and other receivables

The Limited Partnership is required to judge when there is sufficient objective evidence to require the impairment of individual trade receivables. It does this on the basis of the age of the relevant receivables, external evidence of the credit status of the counterparty and the status of any disputed amounts.

4 Revenue

	2016 £'000	2015 £'000
Rental income (excluding adjustment for lease incentives)	854	116
Adjustment for lease incentives	35,108	30,926
Rental income	35,962	31,042
Service charge income	6,612	4,998
Other property related income	2,123	1,238
Gross property income	44,697	37,278
Other direct property or contract expenditure	(11,382)	(8,666)
Net rental income	33,315	28,612

Other direct property or contract expenditure are costs incurred in the direct maintenance and upkeep of investment property. Void costs and costs in respect of housekeepers and outside staff directly responsible for property services, are also included.

5. Property management and administrative expenses

Property management and administrative expenses consist of all costs of managing the property, together with the costs of rent reviews and renewals, re-lettings of the property and management services as explained in note (a) below.

(a) Management services

The Limited Partnership had no employees during the year (2015: None). Management services were provided to the Limited Partnership throughout the year by Kingfisher Property Partnerships Limited, for which it received fees of £28,540 (2015: £28,050).

(b) Corporate services

The directors of the General Partner received no emoluments for their services to the Limited Partnership. LS Fenchurch Development Management Limited, a related party of the Limited Partnership, provided administrative and secretarial services to the Limited Partnership throughout the year, for which it received fees of £100,000 (2015: £100,000).

(c) Auditor remuneration

The auditors' remuneration amounts to £11,845 (2015: £10,096). The auditors received no remuneration for non-audit services provided to the Limited Partnership during the year (2015: £Nil).

6. Net interest expense

	2016 £'000	2015 £'000
Interest expense		
Interest on unsecured loan from partners	(32,322)	(28,270)
Total interest expense	(32,322)	(28,270)
Interest income		
Short-term deposits	12	2
Total interest income	12	2
Net interest expense	(32,310)	(28,268)

7. Investment property

	2016 £'000	2015 £'000
Net book value at 1 April	916,357	686,757
Additions	18,125	43,375
Disposals	(13,175)	-
Surplus on revaluation of investment property	86,772	186,225
Net book value at 31 March	1,008,079	916,357

The historical cost of the investment property is £415,218,665 (2015 £403,895,488). The difference between the carrying amount and historical cost is £599,233,071. The market value has been adjusted for tenant lease incentives for an amount of £66,921,725 (2015 £31,817,979). The valuations are prepared by CBRE, independent valuers, in accordance with, RICS valuation standards.

Net proceeds of £14,650,424 were received relating to the investment property disposal, which generated a profit on disposal of £1,196,586 after deducting fees of £278,838.

The valuations performed by the independent valuers are reviewed internally by management. This includes discussions of the assumptions used by the external valuers, as well as a review of the resulting valuations. Discussions of the valuation process and results are held between senior management, the audit committee and the external valuers on a half-yearly basis.

The valuers' opinion of fair value was primarily derived using comparable recent market transactions on arm's length terms and using appropriate valuation techniques. The fair value of investment property is determined using the income capitalisation approach. Under this approach, forecast net cash flows, based upon market derived estimated present rental values (market rent), together with estimated costs are discounted at market derived capitalisation rates to produce the valuers' opinion of fair value. The average discount rate which, if applied to all cash flows would produce the fair value, is described as the equivalent yield.

The Limited Partnership considers its investment property to fall within 'level 3' as defined by IFRS 13. Accordingly, there has been no transfer of property within the fair value hierarchy in the financial year. The table below summarises the key unobservable inputs used in the valuation of the investment property at 31 March 2016.

	Market Value £'000	ERV (£ per square foot)			True Equivalent Yield (%)		
		Min	Average	Max	Min	Average	Max
20 Fenchurch Street	1,075,000	£15.00	£68.88	£89.00	3.90	3.91	4.50

Definition of terms

ERV – Gross estimated rental value

The estimated market rental value of lettable space as determined by the external valuers.

True Equivalent Yield

Calculated by the external valuers, equivalent yield is the internal rate of return from an investment property, based on the outlays for the purchase of a property (including purchase costs), reflecting reversions to current market rent and such items as voids and non-recoverable expenditure but ignoring future changes in capital value. The calculation assumes rent is received annually in arrears.

Sensitivities

The following table illustrates the impact of changes in key unobservable inputs (in isolation) on the fair value of the Partnership's property.

	Market Value £'000	Impact on Valuations of 5% change in estimated rental value		Impact on Valuations of 25 bps change in true equivalent yield	
		Increase £'000	Decrease £'000	Decrease £'000	Increase £'000
20 Fenchurch Street	1,075,000	44,000	(37,000)	68,200	(75,800)

8 Capital commitments

	2016 £'000	2015 £'000
Contracted capital commitments at the year end in respect of investment property	-	5,025

9. Trade and other receivables

	2016 £'000	2015 £'000
Trade debtors	1,638	1,281
Less allowance for doubtful accounts	(2)	-
Net trade receivables	1,636	1,281
Amount due from 20 Fenchurch Street Developer Limited	1,168	428
Amount due from Land Securities Property Limited	660	558
Taxation and social security	-	1,420
Tenant incentives	66,922	31,818
Prepayments and accrued income	598	431
Total trade and other debtors	70,984	35,936

The amounts due from related parties are repayable on demand with no fixed repayment date and no interest

In accordance with IFRS 7, the amounts shown as past due represent the total credit exposure, not the amount actually past due. A large proportion of the Limited Partnership's trade receivables are considered past due as they relate to rents receivable from tenants which are payable in advance

Movement in allowances for doubtful accounts

	31 March 2016 £'000	31 March 2015 £'000
At the beginning of the year / period	-	-
Net charge to the statement of total return	2	-
Utilised in the year / period	-	-
At 31 March	2	-

Ageing of trade receivables

	Not past due £'000	Up to 30 days past due £'000	More than 30 days past due £'000	Total £'000
As at 31 March 2016				
Not impaired	1,559	10	67	1,636
Impaired	-	-	2	2
	1,559	10	69	1,638
As at 31 March 2015				
Not impaired	775	179	327	1,281
Impaired	-	-	-	-
	775	179	327	1,281

10. Cash and cash equivalents

	2016 £'000	2015 £'000
Cash at bank and in hand	12,218	3,874
Short-term deposits	-	2,100
	12,218	5,974

11. Trade and other payables

	2016 £'000	2015 £'000
Trade creditors	187	2,202
Capital payables	15,232	2,900
Unsecured loan	-	326,292
Interest payable on unsecured loan	-	59,094
Accruals and deferred income	4,384	3,986
Taxation and social security	188	-
Total current trade and other payables	19,991	394,474
Non-current unsecured loans	328,032	-
Non-current interest on unsecured loans	91,416	-
Total trade and other payables	439,439	394,474

Capital payables represent amounts for work completed on investment property but not paid for at the year end. Deferred income principally relates to rents received in advance.

The unsecured loan from LS 20 Fenchurch Street Limited and Canary Wharf (FS Lux) S a r l is repayable when the partnership ceases to have interest in the property, with no fixed repayment date. Interest is charged at 8% (2015: 8%) per annum compounding daily.

After further review of the Partnership Loan terms and the amended agreement taking effect on 1 April 2016, the Partnership Loan has been reclassified to a non-current liability. On this date interest will be charged at 5% per annum.

The amounts owed to other related parties are repayable on demand with no fixed repayment date and no interest.

12. Financial risk management

Financial risk management objectives and policies

The Limited Partnership has trade and other receivables and trade and other payables that arise directly from its operations. The carrying value equals the fair value of the trade receivables and trade payables due to their short term nature.

The Limited Partnership is exposed to interest rate risk, credit risk and liquidity risk. The General Partner reviews and has established policies and procedures for managing each of these risks and they are summarised below.

Credit risk

The Limited Partnership monitors tenant arrears balances on an ongoing basis and provisions are recognised as soon as any potential default is highlighted. Credit risk is mitigated by requiring tenants to pay rentals in advance.

With respect to credit risk arising from the financial assets of the Limited Partnership, which comprise cash and trade and other receivables, the Limited Partnership's maximum exposure is equal to the carrying amount of these instruments in the event the counter parties default.

Liquidity risk

The Limited Partnership is exposed to liquidity risk and needs to ensure that the cash balances and cash flows from operations are sufficient to enable the Limited Partnership to service its borrowing and pay trade and other payables. The Limited Partnership carefully monitors actual cash flows against forecasts and budgets in order to manage this risk.

Capital management

The Limited Partnership considers its capital to include Partner's capital. The primary objective of the Limited Partnership's capital management is to ensure that the Limited Partnership's commitments in relation to its borrowings are met on a timely basis. For this purpose the Limited Partnership has entered into an agreement with the Partner's to ensure sufficient funds are available to meet the external obligations when these arise.

13. Partners' capital accounts

	20 Fenchurch Street (GP) Limited £'000	LS 20 Fenchurch Street Limited £'000	Canary Wharf FS Unit Trust £'000	Total £'000
At 31 March 2015 and 31 March 2016	-	46,205	46,205	92,410

14 Partners' current accounts

	20 Fenchurch Street (GP) Limited £'000	LS 20 Fenchurch Street Limited £'000	Canary Wharf FS Unit Trust £'000	Total £'000
At 1 April 2015	-	235,691	235,692	471,383
Profit for the financial year	-	44,025	44,024	88,049
At 31 March 2016	-	279,716	279,716	559,432

15. Post balance sheet event

The directors note the uncertainty - and consequential volatility in the property and capital markets - since the UK voted to leave the European Union in the 23 June 2016 referendum. This uncertainty may have a negative impact on UK property valuations in future periods and is not currently reflected in the balance sheet at 31 March 2016.

16. Related party transactions

Fees and reimbursable preliminaries were incurred by the Limited Partnership under the terms of a Construction Management Agreement with 20 Fenchurch Street Developer Limited, a company in which LS 20 Fenchurch Street Limited and Canary Wharf FS Unit Trust share control, amounting to £4,012,835 (2015 £22,723,849). Of these amounts, £Nil (2015 £6,328,829) related to construction fees payable to Canary Wharf Contractors Limited, a related party. There was no amounts (2015 £Nil) outstanding at the year end.

Development management was provided by LS Fenchurch Development Management Limited and Canary Wharf Limited, related parties of the Limited Partnership under the terms of a Development Management Agreement. The Limited Partnership incurred £227,317 (2015 £494,262) of such fees from LS Fenchurch Development Management Limited and £227,317 (2015 £494,751) from Canary Wharf Limited. At the year end, within Trade Creditors amounts of £Nil (2015 £23,852) and £Nil (2015 £23,852) remained outstanding to LS Fenchurch Development Management and Canary Wharf Limited respectively.

In the year, the company received net working capital loans of £1,740,170 (2015 £43,895,095) from LS 20 Fenchurch Street Limited, a partner of the company, and Canary Wharf (FS Lux) S a r l, a company with controlling interest in Canary Wharf FS Unit Trust. Interest is charged at 8.0% per annum compounding daily and £32,322,365 (2015 £28,269,869) was charged in the year. At the year end, the amount of capital outstanding was £328,031,947 (2015 £326,291,777) and the amount of interest outstanding was £91,416,468 (2015 £59,094,488). The amounts owed to related parties are repayable when the partnership ceases to have interest in the property, with no fixed repayment date.

During the year, the company received development services amounting to £100,000 (2015 £100,000) from 20 Fenchurch Street Developer Limited, a related party. At the year end, there was no balance (2015 £Nil) outstanding.

At the year end, there was a balance of £1,168,201 (2015 £427,952) due from 20 Fenchurch Street Developer Limited in relation to working capital requirements. The net increase of £740,249 (2015 increase of £1,284,112) relates to amounts received and advanced. The amount is repayable on demand with no fixed repayment date or interest.

At the year end, there was a balance of £660,001 (2015 £557,787) due from Land Securities Properties Limited, a related party, relating to working capital requirements. The net movement of £102,214 (2015 £4,618,095) relates to amounts received by Land Securities Properties Limited in relation to the Limited Partnership in the year. The amount is repayable on demand with no fixed repayment date or interest.

17 Operating lease arrangements

The Limited Partnership earns rental income by leasing its investment and operating property to tenants under non-cancellable operating leases.

At the balance sheet date, the Limited Partnership had contracted with tenants to receive the following future minimum lease payments:

	2016 £'000	2015 £'000
Operating leases which expire		
Not later than one year	16,132	558
Later than one year but not more than five years	174,457	69,097
More than five years	446,914	227,881
	637,503	296,537

The total of contingent rents recognised as income during the year was £Nil (2015 £Nil).

18. Ultimate controlling party

The Limited Partnership is jointly owned by LS 20 Fenchurch Street Limited and Canary Wharf FS Unit Trust.

Therefore, by virtue of this shareholding, there is no ultimate controlling party.