



HERON QUAYS WEST GP (FOUR) LIMITED

Registered number: 9100436

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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HERON QUAYS WEST GP (FOUR) LIMITED

CONTENTS

	Page
Directors' Report	1
Directors' Responsibilities Statement	2
Independent Auditor's Report	3 - 6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 - 16

HERON QUAYS WEST GP (FOUR) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

In preparing this report, the directors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.

PRINCIPAL ACTIVITY

The company acts as the general partner of the Heron Quays West (1) Limited Partnership.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £27,480 (2019 - £127,067).

The company holds the minority interest in Heron Quays West (1) Limited Partnership.

DIRECTORS

The directors who served during the year were:

Sir George Iacobescu CBE
S Z Khan
R J J Lyons

On 6 May 2021, subsequent to the year end, A S J Daffern, K J Kingston and R J Worthington were appointed as directors of the company. On 21 May 2021, R J J Lyons resigned as a director of the company. On 1 July 2021, Sir George Iacobescu CBE resigned as a director of the company.


The company provides an indemnity to all directors (to the extent permitted by law) in respect of liabilities incurred as a result of their office. The company also has in place liability insurance covering the directors and officers of the company. Both the indemnity and insurance were in force during the year ended 31 December 2020 and at the time of the approval of this Directors' Report. Neither the indemnity nor the insurance provide cover in the event that the director is proven to have acted dishonestly or fraudulently.

DISCLOSURE OF INFORMATION TO AUDITOR

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

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

This report was approved by the board on 2 July 2021 and signed on its behalf.

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A S J Daffern
Director

HERON QUAYS WEST GP (FOUR) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HERON QUAYS WEST GP (FOUR) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HERON QUAYS WEST GP (FOUR) LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion the financial statements of Heron Quays West GP (Four) Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 13.

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

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

HERON QUAYS WEST GP (FOUR) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HERON QUAYS WEST GP (FOUR) LIMITED

OTHER INFORMATION

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

HERON QUAYS WEST GP (FOUR) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HERON QUAYS WEST GP (FOUR) LIMITED

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC.

HERON QUAYS WEST GP (FOUR) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HERON QUAYS WEST GP (FOUR) LIMITED

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

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

Matters on which we are required to report by exception

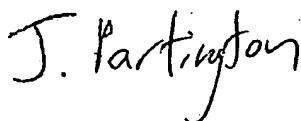
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jason Partington FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
2 July 2021

HERON QUAYS WEST GP (FOUR) LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Share of profit from fixed asset investment	7	27,480	127,067
PROFIT BEFORE TAX		<u>27,480</u>	<u>127,067</u>
Tax on profit	6	-	-
PROFIT FOR THE FINANCIAL YEAR		<u>27,480</u>	<u>127,067</u>
Other comprehensive income for the year		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>27,480</u></u>	<u><u>127,067</u></u>


The notes on pages 10 to 16 form part of these financial statements.

HERON QUAYS WEST GP (FOUR) LIMITED
REGISTERED NUMBER: 9100436

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Investments	7	732,521	705,040
		<u>732,521</u>	<u>705,040</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	8	80,601	80,601
		<u>80,601</u>	<u>80,601</u>
Creditors: amounts falling due within one year	9	(65,602)	(65,601)
		<u>14,999</u>	<u>15,000</u>
NET CURRENT ASSETS			
		<u>747,520</u>	<u>720,040</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>747,520</u>	<u>720,040</u>
NET ASSETS			
		<u>747,520</u>	<u>720,040</u>
CAPITAL AND RESERVES			
Called up share capital	10	456,756	456,756
Share premium account	11	95,716	95,716
Retained earnings	11	195,048	167,568
		<u>747,520</u>	<u>720,040</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2 July 2021.

DocuSigned by:

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A S J Daffern
 Director

The notes on pages 10 to 16 form part of these financial statements.

HERON QUAYS WEST GP (FOUR) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital £	Share premium account £	Retained earnings £	Total equity £
At 1 January 2020	456,756	95,716	167,568	720,040
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	27,480	27,480
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>-</u>	<u>-</u>	<u>27,480</u>	<u>27,480</u>
AT 31 DECEMBER 2020	<u>456,756</u>	<u>95,716</u>	<u>195,048</u>	<u>747,520</u>

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Share premium account £	Retained earnings £	Total equity £
At 1 January 2019	265,457	-	40,501	305,958
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	127,067	127,067
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>-</u>	<u>-</u>	<u>127,067</u>	<u>127,067</u>
Shares issued during the year	191,299	95,716	-	287,015
AT 31 DECEMBER 2019	<u>456,756</u>	<u>95,716</u>	<u>167,568</u>	<u>720,040</u>

The notes on pages 10 to 16 form part of these financial statements.

HERON QUAYS WEST GP (FOUR) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. GENERAL INFORMATION

Heron Quays West GP (Four) Limited is a private company limited by shares incorporated in the UK under the Companies Act 2006 and registered in England and Wales at One Canada Square, Canary Wharf, London, E14 5AB.

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

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

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

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

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

2.2 Going concern

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

The impact of COVID-19

Since March 2020 the UK economy has been significantly impacted by the COVID-19 virus which has caused widespread disruption and economic uncertainty. The crisis had no material impact on the assets, liabilities or performance of the company during the year.

2.3 Cash flow

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

2.4 Investments

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

Investments in partnerships are stated at fair value. The fair value is calculated by reference to the company's share of the net assets of the investment, as adjusted for assets and liabilities which are not carried at fair value. The movement that relates to income earned from partnerships is taken to the income statement. The remaining fair value movement is recognised in other comprehensive income unless the carrying amount of the investment falls below its original cost, after which the deficit is recognised in the income statement.

Income from investments is recognised as the company becomes entitled to receive payment. Dividend income from investments in companies is recognised when received or irrevocably declared. Revenue profits and losses in partnerships are recognised on an accruals basis.

HERON QUAYS WEST GP (FOUR) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.5 Financial instruments

Trade and other receivables

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

Trade and other payables

Trade and other creditors are stated at cost.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The preparation of financial statements also requires use of judgements, apart from those involving estimation, that management makes in the process of applying the entity's accounting policies.

Valuation of investments

Investments in partnerships are carried at fair value. The directors have valued the investment at the company's share of the partnership's net asset value, as adjusted for the fair value of the partnership's property interest.

For the year ended 31 December 2020, the financial statements of the company did not contain any significant items that required the application of judgements, apart from those involving estimation.

4. AUDITOR'S REMUNERATION

The auditor's remuneration of £800 (2019: £800) for the audit of the company has been borne by another group undertaking.

5. EMPLOYEES

The Company has no employees other than the directors, who did not receive any remuneration (2019 - £NIL).

HERON QUAYS WEST GP (FOUR) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****6. TAXATION**

	2020 £	2019 £
Current tax on profits for the year	-	-
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	-	-

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is different to the standard rate of corporation tax in the UK of 19.0% (2019 - 19.0%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	27,480	127,067
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.0% (2019 - 19.0%)	5,221	24,143
EFFECTS OF:		
Property rental business	(2,013)	(1,173)
Expenses not deductible for tax purposes	48	-
Capital allowances	(1,893)	-
Non-taxable income	(1,360)	(22,965)
Group relief	(3)	(5)
TOTAL TAX CREDIT FOR THE YEAR	-	-

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

Enacted in the Finance Act 2020 is a provision to hold the rate of corporation tax at 19.0% on 1 April 2020.

Following the year end, in the 2021 Budget, HM Treasury announced their intention to raise corporation tax to 25% in 2023.

The company is a member of a REIT headed by Stork Holdings Limited. As a consequence all qualifying property rental business is exempt from corporation tax. Only income and expenses relating to nonqualifying activities will continue to be taxable.

HERON QUAYS WEST GP (FOUR) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****7. FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £	Investments in partnerships £	Loans to partnerships £	Total £
COST OR VALUATION				
At 1 January 2020	2	167,946	537,092	705,040
Revaluations	-	7,158	-	7,158
Share of profit/(loss)	-	20,323	-	20,323
At 31 December 2020	2	195,427	537,092	732,521
NET BOOK VALUE				
At 31 December 2020	2	195,427	537,092	732,521
At 31 December 2019	2	167,946	537,092	705,040

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
Heron Quays West (1) T1 Limited	Ordinary	100 %	Land Trustees
Heron Quays West (1) T2 Limited	Ordinary	100 %	Land Trustees

The subsidiaries are registered at One Canada Square, Canary Wharf, London E14 5AB.

HERON QUAYS WEST GP (FOUR) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****7. FIXED ASSET INVESTMENTS (CONTINUED)****Investments in partnerships**

The company is the general partner and owns a 0.1% share in Heron Quays West (1) Limited Partnership, which is registered at One Canada Square, Canary Wharf, London E14 5AB. The company has made loan advances to the Partnership. The loans are interest free and repayable by the Partnership as a priority over distributions.

The interest in the Partnership comprises:

	2020 £	2019 £
Cost of interest in Partnership	378	378
Share of accumulated revenue profits	26,034	5,711
Share of accumulated capital profits	169,014	161,857
	<u>195,426</u>	<u>167,946</u>

The share of capital profits relates to the revaluation of an investment property recognised in the income statement of the Partnership.

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

The directors are of the opinion that the value of the company's investments at 31 December 2020 was not less than the amount shown in the company's balance sheet.

HERON QUAYS WEST GP (FOUR) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****8. DEBTORS**

	2020 £	2019 £
Amounts owed by group undertakings	80,601	80,601
	<u>80,601</u>	<u>80,601</u>

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

9. CREDITORS: Amounts falling due within one year

	2020 £	2019 £
Amounts owed to group undertakings	65,602	65,601
	<u>65,602</u>	<u>65,601</u>

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

10. SHARE CAPITAL

	2020 £	2019 £
Allotted, called up and fully paid		
456,756 (2019 - 456,756) Ordinary shares of £1.00 each	456,756	456,756
	<u>456,756</u>	<u>456,756</u>

11. RESERVES

The company has no distributable reserves at 31 December 2020. The total of the company's realised gains and losses was as follows:

	2020 £	2019 £
Retained earnings	195,048	167,568
Share of accumulated capital profits	(169,014)	(161,857)
	<u>26,034</u>	<u>5,711</u>

The share of capital profits relates to the revaluation of an investment property recognised in the income statement of the Partnership. The company recognises its share of this unrealised profit in the carrying value of its investment.

12. OTHER FINANCIAL COMMITMENTS

As at 31 December 2020 and 31 December 2019 the company had given security over all its assets to secure the commitments of certain other group undertakings.

HERON QUAYS WEST GP (FOUR) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

13. CONTROLLING PARTY

Until 20 November 2019, the company's immediate parent undertaking was Heron Quays West Investments (One) SLP. On that date Canary Wharf 1BS Properties Limited acquired the entire share capital of the company from its immediate parent.

As at 31 December 2020, the smallest group of which the company is a member and for which group financial statements are drawn up is the consolidated financial statements of Canary Wharf Group Investment Holdings plc. Copies of the financial statements may be obtained from the Company Secretary, One Canada Square, Canary Wharf, London E14 5AB.

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

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

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



HERON QUAYS WEST (1) LIMITED PARTNERSHIP

Registered number: LP016099

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

HERON QUAYS WEST (1) LIMITED PARTNERSHIP

CONTENTS

	Page
General Partner's Responsibilities Statement	1
Independent Auditors' Report	2 - 4
Statement of Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Notes to the Financial Statements	8 - 13

HERON QUAYS WEST (1) LIMITED PARTNERSHIP

GENERAL PARTNER'S RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

The Heron Quays West (1) Limited Partnership was registered as a limited partnership on 2 July 2014 responsible for preparing the General partner's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Heron Quays West (1) Limited Partnership to prepare financial statements for each financial year. Under that law the general partner has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the general partner must not approve the financial statements unless he 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 period.

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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership will continue in existence.

The General Partner is also 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 to enable him to ensure that the financial statements comply with the Companies Act 2006. He 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.

HERON QUAYS WEST (1) LIMITED PARTNERSHIP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HERON QUAYS WEST (1) LIMITED PARTNERSHIP

REPORT ON THE AUDIT OF THE NON-STATUTORY FINANCIAL STATEMENTS

OPINION

In our opinion the non-statutory financial statements:

- give a true and fair view of the state of the Partnership's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Limited Partnership Agreement.

We have audited the non-statutory financial statements of Heron Quays West (1) Limited Partnership (the 'Partnership') which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 13.

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

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs(UK)') and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the non-statutory financial statements section of our report.

We are independent of the partnership in accordance with the ethical requirements that are relevant to our audit of the non-statutory financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the partner's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Partnership's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the General Partner with respect to going concern are described in the relevant sections of this report.

HERON QUAYS WEST (1) LIMITED PARTNERSHIP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HERON QUAYS WEST (1) LIMITED PARTNERSHIP

RESPONSIBILITIES OF GENERAL PARTNERS

As explained more fully in the statement of General Partner's Responsibilities, the General Partner is responsible for the preparation of the non-statutory financial statements and for being satisfied that they give a true and fair view, and for such internal control as the General Partner determines is necessary to enable the preparation of non-statutory financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-statutory financial statements, the General Partner is responsible for assessing the partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the General Partner either intend to liquidate the partnership or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE NON-STATUTORY FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the non-statutory financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-statutory financial statements.

A further description of our responsibilities for the audit of the non-statutory financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Partnership's industry and its control environment, and reviewed the Partnership's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the Partnership operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Partnership's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

HERON QUAYS WEST (1) LIMITED PARTNERSHIP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HERON QUAYS WEST (1) LIMITED PARTNERSHIP

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud ;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

USE OF OUR REPORT

This report is made solely for the exclusive use of the partners and solely for the purpose set out in our engagement letter. Our report is not to be used for any other purpose, recited or referred to in any document, copied or made available (in whole or in part) to any other person without prior written express consent. We accept no duty, responsibility or liability to any other party in connection with the report or this engagement.

Deloitte LLP

Deloitte LLP
London, United Kingdom
2 July 2021

HERON QUAYS WEST (1) LIMITED PARTNERSHIP**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Turnover		24,462,949	7,041,975
Cost of sales		(3,026,047)	(636,043)
GROSS PROFIT		21,436,902	6,405,932
Administrative expenses		(989,493)	(236,277)
Movements in fair value of investment property	9	7,115,284	120,799,419
OPERATING PROFIT		27,562,693	126,969,074
Interest receivable and similar income	6	17,832	25,411
Interest payable and similar charges	7	(159,399)	-
PROFIT BEFORE TAX		27,421,126	126,994,485
Tax on profit	8	-	-
PROFIT FOR THE FINANCIAL YEAR		27,421,126	126,994,485
Other comprehensive income for the year		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		27,421,126	126,994,485


The notes on pages 8 to 13 form part of these financial statements.

HERON QUAYS WEST (1) LIMITED PARTNERSHIP
REGISTERED NUMBER:LP016099

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Investment property	9	630,279,751	627,092,311
		<u>630,279,751</u>	<u>627,092,311</u>
CURRENT ASSETS			
Debtors: amounts falling due after more than one year	10	35,320,249	11,507,689
Debtors: amounts falling due within one year	10	297,683,552	292,632,483
Cash at bank and in hand		402,864	14,639,392
		<u>333,406,665</u>	<u>318,779,564</u>
Creditors: amounts falling due within one year	11	(231,322,432)	(240,929,017)
NET CURRENT ASSETS		<u>102,084,233</u>	<u>77,850,547</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>732,363,984</u>	<u>704,942,858</u>
NET ASSETS		<u><u>732,363,984</u></u>	<u><u>704,942,858</u></u>
CAPITAL AND RESERVES			
Capital accounts		377,701	377,701
Partner advances	12	537,091,866	537,091,866
Retained earnings	12	194,894,417	167,473,291
		<u>732,363,984</u>	<u>704,942,858</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by 2 July 2021.

DocuSigned by:

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A S J Daffern

On behalf of Heron Quays West GP (Four) Limited

The notes on pages 8 to 13 form part of these financial statements.

HERON QUAYS WEST (1) LIMITED PARTNERSHIP**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Capital accounts £	Partners advances £	Current accounts £	Total equity £
At 1 January 2020	377,701	537,091,866	167,473,291	704,942,858
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	27,421,126	27,421,126
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>-</u>	<u>-</u>	<u>27,421,126</u>	<u>27,421,126</u>
AT 31 DECEMBER 2020	<u>377,701</u>	<u>537,091,866</u>	<u>194,894,417</u>	<u>732,363,984</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Capital accounts £	Partners advances £	Current accounts £	Total equity £
At 1 January 2019	377,701	250,077,299	40,478,806	290,933,806
COMPREHENSIVE INCOME FOR THE YEAR				
Profit for the year	-	-	126,994,485	126,994,485
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>-</u>	<u>-</u>	<u>126,994,485</u>	<u>126,994,485</u>
Advances in the year	-	287,014,567	-	287,014,567
AT 31 DECEMBER 2019	<u>377,701</u>	<u>537,091,866</u>	<u>167,473,291</u>	<u>704,942,858</u>

The notes on pages 8 to 13 form part of these financial statements.

HERON QUAYS WEST (1) LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. GENERAL INFORMATION

Heron Quays West (1) Limited Partnership is an English Limited Partnership registered at 30th Floor, One Canada Square, Canary Wharf, London, E14 5AB.

The Partnership is the developer for an office development at 1 Bank Street, Heron Quays West.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

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

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

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

2.2 Going concern

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

The impact of COVID-19

Since March 2020 the UK economy has been significantly impacted by the COVID-19 virus which has caused widespread disruption and economic uncertainty. The crisis had no material impact on the assets, liabilities or performance of the company during the year.

2.3 Cash flow statement

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

2.4 Revenue

Rental income from operating leases is recognised in the Income Statement on a straight line basis over the term of the lease. Lease incentives granted, including rent free periods, are recognised as an integral part of the net consideration for the use of the property and are therefore also recognised on the same straight line basis. Direct costs incurred in negotiating and arranging new leases are also amortised on the same straight line basis. Contingent rents, being those lease payments that are not fixed at the inception of a lease, for example turnover rents, are recorded in the periods in which they are earned.

Any COVID-19 related permanent reductions in rental income, which affect payments originally due on or before 30 June 2021, are recognised as a reduction to income in the same period, in accordance with 'Accounting for COVID-19 related rent concessions under FRS 102'.

HERON QUAYS WEST (1) LIMITED PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.5 Investment property

Investment properties, including land and buildings held for development and investment properties under construction, are measured initially at cost including related transaction costs. The finance costs associated with direct expenditure on properties under construction or undergoing refurbishment are capitalised.

Investment properties are subsequently revalued, at each reporting date, to an amount comprising the fair value of the property interest plus the carrying value of the associated lease liability less separately identified accrued rent, amortised lease incentives and negotiation costs. The gain or loss on remeasurement is recognised in the income statement.

2.6 Financial instruments

Trade and other receivables

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

Trade and other payables

Trade and other creditors are stated at cost.

Borrowings

Loans payable are recognised initially at the net proceeds including transaction costs.

Subsequent to initial recognition, loans payable 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.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The preparation of financial statements also requires use of judgements, apart from those involving estimation, that management makes in the process of applying the entity's accounting policies.

Valuation of development properties

The Partnership uses valuations performed by independent valuers as the fair value of its properties. The valuations are based upon assumptions including future rental income, anticipated void costs, the appropriate discount rate or yield and the estimated costs to completion. The valuers also make reference to market evidence of transaction prices for similar properties.

For the year ended 31 December 2020, the financial statements of the partnership did not contain any significant items that required the application of judgements, apart from those involving estimation.

HERON QUAYS WEST (1) LIMITED PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****4. AUDITORS' REMUNERATION**

Auditor's remuneration of £5,060 (2019 - £4,000) for the audit of the Partnership has been borne by another group undertaking.

5. EMPLOYEES

No staff were employed by the Partnership during the year.

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2020 £	2019 £
Bank interest receivable	17,832	25,411
	<u>17,832</u>	<u>25,411</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2020 £	2019 £
Loan fees	159,399	-
	<u>159,399</u>	<u>-</u>

8. TAXATION

No provision for tax has been made as the income earned by the Partnership is taxable in the accounts of the partners.

HERON QUAYS WEST (1) LIMITED PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****9. INVESTMENT PROPERTY**

	Development properties £
VALUATION	
At 1 January 2020	627,092,311
Additions at cost	(3,927,844)
Surplus on revaluation	7,115,284
AT 31 DECEMBER 2020	<u>630,279,751</u>

The Partnership holds all of the property interest in the One Bank Street development site.

At Heron Quays West, 1 Bank Street reached practical completion in October 2019. The building comprises 715,000 sq ft of which 286,000 sq ft NIA has been leased to Société Générale. Category A and B fitout to floors 1 – 7 for Société Générale completed in late July 2019 and the tenant has now occupied its demised space.

Relevant base build works achieved practical completion for European Bank for Reconstruction & Development on 31 October 2019. EBRD have commenced fitting out their space ahead of the anticipated occupation date in July 2022.

At 31 December 2020, the property was valued externally by CB Richard Ellis Limited, qualified valuers with recent experience in office properties at Canary Wharf. The fair value was determined in accordance with the Appraisal and Valuation Manual published by the Royal Institution of Chartered Surveyors, using:

- Discounted cash flow based on inputs provided by the company (current rents, terms and conditions of lease agreements) and assumptions and valuation models adopted by the valuers (estimated rental values, terminal values and discount rates).
- Yield methodology based on inputs provided by the company (current rents) and assumptions and valuation models adopted by the valuers (estimated rental values and market capitalisation rates).

The resulting valuations are cross checked against the initial yields and the fair market values per square foot derived from actual market transactions.

No allowance was made for any expenses of realisation nor for any taxation which might arise in the event of disposal.

If the investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2020 £	2019 £
Historic cost	<u>461,398,957</u>	<u>465,326,800</u>

HERON QUAYS WEST (1) LIMITED PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

The fair value has been allocated to the following balance sheet items:

	2020 £	2019 £
Development properties	630,279,751	627,092,311
Negotiation costs	4,212,214	4,465,713
Tenant incentives	31,108,035	7,041,976
Fair value	665,600,000	638,600,000

The property interest is let to Societe Generale for an annual rent of £13,396,443 until July 2044.

The future minimum payments under non-cancellable operating lease are as follows:

	2020 £	2019 £
Within one year	92,730	52,395
In one to five years	44,760,806	31,468,746
After more than five years	467,722,213	214,343,080
	512,575,749	245,864,221

10. DEBTORS

	2020 £	2019 £
DUE AFTER MORE THAN ONE YEAR		
Lease negotiation costs	35,320,249	11,507,689
	35,320,249	11,507,689
DUE WITHIN ONE YEAR		
Trade debtors	29,216	456
Amounts owed by group undertakings	293,073,450	287,687,831
Other debtors	-	362,539
Prepayments and accrued income	4,580,886	4,581,657
	297,683,552	292,632,483

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

HERON QUAYS WEST (1) LIMITED PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****11. CREDITORS: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	27,033	-
Amounts owed to group undertakings	197,157,241	226,830,844
Other creditors	26,888	-
Accruals and deferred income	34,111,270	14,098,173
	<u>231,322,432</u>	<u>240,929,017</u>

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

12. RESERVES

	%	Capital accounts £	Partners advances £	Current account £	Total £
1 Bank Street Unit Trust	99.90	377,323	536,554,775	194,699,369	731,631,467
Heron Quays West GP (Four) Limited	0.10	<u>378</u>	<u>537,091</u>	<u>195,049</u>	<u>732,518</u>
		<u>377,701</u>	<u>537,091,866</u>	<u>194,894,418</u>	<u>732,363,985</u>

Partners' loans are unsecured and interest free.

In 2020, the Partnership received partners' advances of £Nil (2019 - £287,014,567) to repay the construction loan.

13. CONTROLLING PARTY

The Partnership's general partner is Heron Quays West GP (Four) Limited.

As at 31 December 2020, the smallest group of which the Partnership is a member and for which group financial statements are drawn up is the consolidated financial statements of Canary Wharf Group Investment Holdings plc. Copies of the financial statements may be obtained from the Company Secretary, One Canada Square, Canary Wharf, London E14 5AB.

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

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

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