



CANARY WHARF
GROUP PLC

CANARY WHARF 1BS FINANCE LIMITED

Registered number: 130029

Company Number: FC037084

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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CANARY WHARF 1BS FINANCE LIMITED

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CANARY WHARF 1BS FINANCE LIMITED

STRATEGIC REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

This Strategic Report has been prepared for the company and not for the group of which it is a member and therefore focuses only on matters which are significant to the company.

BUSINESS MODEL

The principal activity of the company is a holding company and borrower of the 1 Bank Street mezzanine loan facility.

BUSINESS REVIEW

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 period.

As shown in the company's profit and loss account, the company's profit after tax for the period was £78,769 (2020: profit of £78,407).

The balance sheet shows the company's financial position at the period end and indicates net assets were £106,226,766 (2020: £106,147,997).

PRINCIPAL RISKS AND UNCERTAINTIES

The risks and uncertainties facing the business are monitored through continuous assessment, regular formal reviews and discussion at the Canary Wharf Group Investment Holdings plc audit committee and board. Such discussion focuses on the risks identified as part of the system of internal control which highlights key risks faced by the Group and allocates specific day to day monitoring and control responsibilities as appropriate. As a member of Canary Wharf Group, the current key risks of the company include ongoing impact of COVID-19, the cyclical nature of the property market, departure from the EU, concentration risk, financing risk, interest rate risk and policy and planning risks.

Cyclical nature of the property market

The valuation of the Company and Group's assets are subject to many other external economic and market factors. In recent years, the London real estate market has had to cope with fluctuations in demand caused by key events such as the 2008/2009 financial crisis, uncertainty in the Eurozone and the implications of the UK's withdrawal from the EU. The full impact of the Russian invasion of Ukraine and sanctions imposed on Russia as a consequence and of the coronavirus is not yet possible to predict. Any long term continuation of the pandemic will however inevitably affect short and medium term economic performance and confidence, with adverse implications for the property market. The real estate market has to date, however, been assisted by the depreciation of sterling since the EU referendum and the continuing presence of overseas investors attracted by the relative transparency of the real estate market in London which is still viewed as both relatively stable and secure. Previous Government announcements, in particular the changes to stamp duty underpinned continuing demand in the residential market and the value of the Group's development sites. Property valuations for office properties let on long leases to tenants with good covenants have remained relatively strong despite continuing economic uncertainties which are unhelpful to confidence across the wider real estate sector.

Concentration Risk

The Group's real estate assets are currently located on or adjacent to the Estate. Although a majority of tenants have traditionally been linked to the financial services industry, this proportion has now fallen to around only 50% of tenants. Wherever possible steps are still taken to mitigate or avoid material consequences arising from this concentration.

CANARY WHARF 1BS FINANCE LIMITED**STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2021****Financing Risk**

The broader economic cycle inevitably leads to movements in inflation, interest rates and bond yields. The company finances its operations largely through surplus cash and intercompany finance.

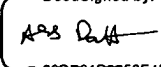
The broader economic cycle inevitably leads to movements in inflation, interest rates and bond yields. The company has borrowing at floating and fixed rates of interest. Where required the company uses derivative financial instruments to manage exposure to interest rate fluctuations. No derivatives are entered into for speculative purposes.

The principal risks facing the Group are discussed in the Annual Report of Canary Wharf Investment Holdings Group plc, which does not form part of this report.

KEY PERFORMANCE INDICATORS

	2021	2020
	£	£
Bank loan	78,000,000	78,000,000
Financing cost	4,417,353	5,228,485
Profit before tax	78,769	78,407
Weighted average maturity of debt	2.89	3.98
Weighted average interest rate	5.3%	5.7%

This report was approved by the board on 4 July 2022 and signed on its behalf.

DocuSigned by:

 ASJ Daffern
 Director

CANARY WHARF 1BS FINANCE LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the period ended 31 December 2021.

PRINCIPAL ACTIVITY

The principal activity of the company is a holding company and borrower of the loan for the 1 Bank Street mezzanine facility.

DIRECTORS

The directors who served during the period were:

A S J Daffern (appointed 6 May 2021)
Sir George Iacobescu CBE (resigned 1 July 2021)
S Z Khan
K J Kingston (appointed 6 May 2021)
R J J Lyons (resigned 21 May 2021)
R J Worthington (appointed 6 May 2021)

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 period ended 31 December 2021 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.

FUTURE DEVELOPMENTS

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

FINANCIAL INSTRUMENTS

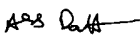
The financial risk management objectives and policies together with the principal risks and uncertainties of the company are contained within the Strategic Report.

DISCLOSURE OF INFORMATION TO AUDITORS

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 auditors are 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 auditors are aware of that information.

This report was approved by the board on 4 July 2022 and signed on its behalf.

DocuSigned by:

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A S J Daffern
Director

CANARY WHARF 1BS FINANCE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2021

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

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

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

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. 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.

CANARY WHARF 1BS FINANCE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANARY WHARF 1BS FINANCE LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion the financial statements of Canary Wharf 1BS Finance Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 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 properly prepared in accordance with the Companies (Jersey) Law 1991.

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 14.

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

BASIS FOR OPINION

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

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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.

CANARY WHARF 1BS FINANCE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANARY WHARF 1BS FINANCE 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 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 statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

CANARY WHARF 1BS FINANCE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANARY WHARF 1BS FINANCE 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 framework 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 Companies (Jersey) Law 1991 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.

CANARY WHARF 1BS FINANCE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CANARY WHARF 1BS FINANCE LIMITED

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Matters on which we are required to report by exception

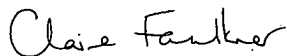
Under the Companies (Jersey) Law 1991 we are required to report in respect of the following matters if, in our opinion:

- proper accounting records have not been kept, or proper 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
- we have not received all the information and explanations we require for our audit.

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 Article 113A of the Companies (Jersey) Law 1991. 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.



Claire Faulkner FCA
For and on behalf of Deloitte LLP
London, United Kingdom
4 July 2022

CANARY WHARF 1BS FINANCE LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2021**

		31 December 2021 £	Period 4 October 2019 to 31 December 2020 £
Note			
Administrative expenses		(5,179)	(6,487)
OPERATING LOSS		(5,179)	(6,487)
Interest receivable and similar income	6	4,501,301	5,313,379
Interest payable and similar expenses	7	(4,417,353)	(5,228,485)
PROFIT BEFORE TAX		78,769	78,407
Tax on profit	8	-	-
PROFIT FOR THE FINANCIAL PERIOD		78,769	78,407
Other comprehensive income for the period		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		78,769	78,407

The notes on pages 12 to 19 form part of these financial statements.

CANARY WHARF 1BS FINANCE LIMITED
REGISTERED NUMBER: 130029

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Investments	9	106,069,590	106,069,590
		<u>106,069,590</u>	<u>106,069,590</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	10	86,995,503	82,173,812
Cash at bank and in hand		100	100
		<u>86,995,603</u>	<u>82,173,912</u>
Creditors: amounts falling due within one year	11	(9,496,985)	(4,981,689)
		<u>77,498,618</u>	<u>77,192,223</u>
NET CURRENT ASSETS		183,568,208	183,261,813
TOTAL ASSETS LESS CURRENT LIABILITIES		183,568,208	183,261,813
Creditors: amounts falling due after more than one year		(77,341,442)	(77,113,816)
		<u>106,226,766</u>	<u>106,147,997</u>
NET ASSETS		106,226,766	106,147,997
CAPITAL AND RESERVES			
Called up share capital	13	10,001	10,001
Share premium account		106,059,589	106,059,589
Retained earnings		157,176	78,407
		<u>106,226,766</u>	<u>106,147,997</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 4 July 2022.

DocuSigned by:



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A S J Daffern
 Director

The notes on pages 12 to 19 form part of these financial statements.

CANARY WHARF 1BS FINANCE LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2021**

	Called up share capital £	Share premium account £	Retained earnings £	Total equity £
At 1 January 2021	10,001	106,059,589	78,407	106,147,997
COMPREHENSIVE INCOME FOR THE PERIOD				
Profit for the period	-	-	78,769	78,769
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	78,769	78,769
AT 31 DECEMBER 2021	10,001	106,059,589	157,176	106,226,766

The notes on pages 12 to 19 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2020**

	Called up share capital £	Share premium account £	Retained earnings £	Total equity £
At 1 October 2019	10,001	106,059,589	-	106,069,590
COMPREHENSIVE INCOME FOR THE PERIOD				
Profit for the period	-	-	78,407	78,407
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	78,407	78,407
AT 31 DECEMBER 2020	10,001	106,059,589	78,407	106,147,997

The notes on pages 12 to 19 form part of these financial statements.

CANARY WHARF 1BS FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

1. GENERAL INFORMATION

Canary Wharf 1BS Finance Limited is a private company limited by shares incorporated in Jersey under Companies (Jersey) Law 1991 and registered at 47 Esplanade, St Helier, Jersey, Channel Islands, JE1 0BD.

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 period and are summarised below:

2.2 Replacement of LIBOR as an interest rate benchmark

From 24th January 2022, LIBOR has been replaced by SONIA (Sterling Overnight Index Average) as the Risk-Free Reference Rate for Sterling Transactions. The group has obtained its lenders approval to adopt SONIA from 24 January 2022 for all LIBOR related loans, plus a Credit Adjustment Spread. This has not resulted in any changes to group's financial instrument effectiveness.

2.3 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 early 2020, the UK economy has been significantly impacted by the COVID-19 virus which has caused widespread disruption and economic uncertainty. The return to lockdown in January 2021 and the extension to the end of lockdown restrictions in July 2021 continued this uncertainty but the positive news around rollout of vaccines and the recent removal of restrictions have improved the outlook. The crisis had no material impact on the assets, liabilities or performance of the company during the year.

2.4 Cash flow statement

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

CANARY WHARF 1BS FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES (CONTINUED)

2.5 Investments

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

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.

2.6 Taxation

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

2.7 Financial instruments

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

Trade and other receivables

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

Loans receivable

Loans receivable are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, loans receivable 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.

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

Trade and other payables

Trade and other creditors are stated at cost.

Borrowings

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

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash flows (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability.

CANARY WHARF 1BS FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021****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.

Impairment of investments

Investments in subsidiaries are stated at cost less any provision for impairment. In assessing provisions for impairment, the directors have valued each subsidiary at its net asset value, as adjusted for material differences between the fair value and carrying value of its assets and liabilities.

For the year ended 31 December 2021, the financial statements of the company did not contain any significant items that required the application of judgements, apart from those involving estimation.

4. AUDITORS' REMUNERATION

Auditor's remuneration of £3,500 (2020: £2,580) for the audit of the company for the period has been borne by another group undertaking.

5. EMPLOYEES

The Company has no employees other than the directors, who did not receive any remuneration (2020 - £NIL).

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	31 December 2021 £	Period 4 October 2019 to 31 December 2020 £
Interest receivable from group companies	4,501,301	5,313,379
	<u>4,501,301</u>	<u>5,313,379</u>

CANARY WHARF 1BS FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021****7. INTEREST PAYABLE AND SIMILAR CHARGES**

	31 December 2021 £	Period 4 October 2019 to 31 December 2020 £
Bank loan interest payable	4,164,727	4,947,706
Loan fees	252,626	280,779
	<u>4,417,353</u>	<u>5,228,485</u>

8. TAXATION

	31 December 2021 £	Period 4 October 2019 to 31 December 2020 £
TOTAL CURRENT TAX	<u>-</u>	<u>-</u>

FACTORS AFFECTING TAX CHARGE FOR THE PERIOD

The tax assessed for the period is different to the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	31 December 2021 £	Period 4 October 2019 to 31 December 2020 £
Profit on ordinary activities before tax	<u>78,769</u>	<u>78,407</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	14,966	14,897
EFFECTS OF:		
Group relief	<u>(14,966)</u>	<u>(14,897)</u>
TOTAL TAX CHARGE FOR THE PERIOD	<u>-</u>	<u>-</u>

CANARY WHARF 1BS FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021****8. TAXATION (CONTINUED)****FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

The company is exempt from paying Jersey income tax on its net taxable income.

Enacted in the Finance Act 2021 is a provision for the main rate of corporation tax to increase to 25% from 1 April 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.

9. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
COST	
At 1 January 2021	106,069,590
At 31 December 2021	<u>106,069,590</u>

SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the company:

Name	Principal activity	Class of shares	Holding
Canary Wharf 1BS Lending Limited (formerly 1 Bank Street Lending Limited)	Finance company	Ordinary	100%
Canary Wharf 1BS Properties Limited (formerly 1 Bank Street Properties Limited)	Finance company	Held indirectly	100%
Canary Wharf Contractors (1BS) Limited	Property contractor	Held indirectly	100%
Heron Quays West (1) Limited Partnership	Property investment	Held indirectly	99.9%
Heron Quays West (1) T1 Limited	Trustee landlord	Held indirectly	100%
Heron Quays West (1) T2 Limited	Trustee landlord	Held indirectly	100%
Heron Quays West GP (Four) Limited	General partner	Held indirectly	100%
1 Bank Street Unit Trust	Investment holding	Held indirectly	99.9%

CANARY WHARF 1BS FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

Canary Wharf 1BS Lending Limited, Canary Wharf 1BS Properties Limited and 1 Bank Street Unit Trust are incorporated in Jersey and registered at 47, Esplanade, St Helier, Jersey, JE1 0BD.

All other subsidiaries are incorporated in England and Wales are registered at One Canada Square, Canary Wharf, London E14 5AB.

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 14).

The directors are of the opinion that the value of the company's investment at 31 December 2021 was not less than the amount shown in the company's statement of financial position.

10. DEBTORS

	2021 £	2020 £
Amounts owed by group undertakings	86,674,678	82,173,377
Prepayments and accrued income	320,825	435
	<u>86,995,503</u>	<u>82,173,812</u>

Included in amounts owed by group undertakings is a loan owed by a subsidiary undertaking of £86,674,677 which carries interest at a rate connected to LIBOR and is repayable on demand.

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

11. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Amounts owed to group undertakings	8,715,877	4,232,722
Accruals and deferred income	781,108	748,967
	<u>9,496,985</u>	<u>4,981,689</u>

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

CREDITORS: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans (Note 12)	77,341,442	77,113,816
	<u>77,341,442</u>	<u>77,113,816</u>

CANARY WHARF 1BS FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021****12. BANK LOANS**

The amounts at which bank loans are stated comprise:

	2021 £	2020 £
Payable within one year or on demand	-	-
Payable after more than one year	77,341,442	77,113,816
	<u>77,341,442</u>	<u>77,113,816</u>

On 12 November 2019, the company entered into a mezzanine loan agreement for the amount of £78,000,000. The loan carries interest of LIBOR + 5.25% and is repayable on 21 November 2024.

The maturity profile of the company's contracted undiscounted cash flows is as follows:

	2021 £	2020 £
Within one year	4,510,846	4,091,690
In one to two years	5,012,840	4,077,613
In two to five years	83,554,397	86,626,715
	<u>93,078,083</u>	<u>94,796,018</u>

	2021 £	2020 £
Comprising		
Principal repayments	78,000,000	78,000,000
Interest repayments	15,078,083	16,796,018
	<u>93,078,083</u>	<u>94,796,018</u>

The above table contains undiscounted cash flows (including interest) and therefore results in a higher balance than the carrying values of fair values of the borrowings.

The weighted average maturity of the borrowing at 31 December 2021 was 2.89 years.

The weighted average interest rate of the company for year was 5.3%.

Details of the company's risk management policy are set out in the Strategic Report.

13. SHARE CAPITAL

	2021 £	2020 £
Allotted, called up and fully paid		
10,001 (2020 - 10,001) Ordinary shares of £1.00 each	<u>10,001</u>	<u>10,001</u>

CANARY WHARF 1BS FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

14. CONTROLLING PARTY

The company's immediate parent undertaking is Canary Wharf Developments Limited.

As at 31 December 2021, 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 group companies.