R. B. BISHOPSGATE INVESTMENTS LIMITED
(Registered Number: 02924707)

ANNUAL REPORT AND FINANCIAL STATEMENTS
for the year ended 31 December 2020

R. B. BISHOPSGATE INVESTMENTS LIMITED
DIRECTORS' REPORT
for the year ended 31 December 2020

The Directors present their report and the financial statements of R. B. Bishopsgate Investments Limited ('the Company', 'RBBIL') for the year ended 31 December 2020.

Business environment

The Company is a wholly owned subsidiary of Canada Square Investments Limited ('CSIL', 'parent'), and the principal activity of the Company during the year was that of property investment. The Company derives its revenues from its leasehold property held within the United Kingdom.

The leasehold property held by the Company is that of Citigroup Centre 2 ('CGC2'), 25 Canada Square, Canary Wharf, London. The building, together with Citigroup Centre 1 ('CGC1'), 33 Canada Square, acts as Citigroup Inc.'s ('Citi') EMEA headquarters and contains a significant portion of Citi's UK employee base and core business operating activities.

The decision of the UK to withdraw its membership of the European Union provided some short term uncertainty to the UK commercial property sector however in the long term the sector is expected to remain an attractive investment proposition for investors with continued rental growth and capital appreciation forecasted.

Going concern

As was reported in the Ultimate Parent Company's (Citigroup's) Annual Report on SEC Form 10-K for the year ended 31 December 2020, Citigroup disclosed that in addition to the widespread public health implications, the emergence of the COVID-19 pandemic has had an extraordinary impact on macroeconomic conditions in the U.S. and around the world.
In considering going concern, the Company continues to closely monitor developments related to the outbreak of COVID-19. The current and on-going COVID-19 situation continues to provide some uncertainty across commercial property markets, however for the Company the Directors do not see any risk of events such as turnover loss or loss of tenant income etc. The Company will continue to monitor the on-going developments going forward.

The financial statements are prepared on a going concern basis. The Directors are satisfied that the Company has the resources to continue in business for the foreseeable future. In making this assessment, the Directors have considered a wide range of information relating to present and future conditions, including the Company's existing capital and liquidity resources and the level of reliance placed on support from Citigroup Inc., the Company's ultimate parent.

Change of accounting period length

The Company's Financial Statements are prepared for the year ended 31 December 2020, while the comparative information presented in these financial statements cover a 9-month period from 1 April 2019 to 31 December 2019. Consequently, amounts presented in the financial statements are not entirely comparable.

Dividends

The Company neither paid, nor did the Directors recommend the payment of, a final dividend for the year.

R. B. BISHOPSGATE INVESTMENTS LIMITED
DIRECTORS' REPORT
for the year ended 31 December 2020

Directors

The Directors who held office during the year ended 31 December 2020 and since year-end were:

J R Killey
J D R Smith (resigned on 12 October 2020)
J Warren
K H Thomas (appointed on 18 June 2021)

Directors' indemnity

Throughout the year and at the date of this report the Company is party to a group-wide indemnity policy which benefits all of its current directors and is a qualifying third party indemnity provision for the purpose of section 236 of the Companies Act 2006.

Statement of Directors' responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

R. B. BISHOPSGATE INVESTMENTS LIMITED
DIRECTORS' REPORT
for the year ended 31 December 2020

Stakeholder engagement statement

To ensure the most efficient and effective approach, stakeholder engagement is led by Citigroup, in particular where matters are of group-wide significance or have an impact on Citigroup's reputation.

The Company's Board considers and discusses information from across the organisation to help it understand the impact on the Company's operations and the interests and views of our key stakeholders. The Board also reviews strategy and financial performance as well as information such as operational and financial risks and regulator priorities. The Board receives this information in advance of each quarterly meeting.

Using all of the above actions, the Board has an overview of engagement with stakeholders, which enables the Directors to comply with their legal duty under section 172 of the Companies Act 2006.

Environment

The Company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by its activities. Initiatives designed to minimise the Company's impact on the environment include safe disposal of waste, recycling and reducing energy consumption.

Disclosures concerning greenhouse gas emissions

Sustainable Operations at R. B. Bishopsgate Investments Limited

R. B. Bishopsgate Investments Limited, as part of Citigroup Inc., has been measuring its environmental footprint and began reporting on its direct operational impacts in 2002. In 2020, Citi finished tracking progress against its third generation of operational footprint goals, first announced in 2015. These goals cover energy use, water consumption, recycling, waste and green building design. By the end of 2020, Citi had achieved its goals of 100% use of renewable electricity for facilities globally and a 30% reduction in energy consumption from a 2005 baseline.
To build on this success and reduce its operational footprint further, Citi is committed to the following goals for increasing its energy efficiency and reducing greenhouse gas ("GHG ") emissions by 2025, from a 2010 baseline:

• a 45% reduction in location-based GHG emissions (CO2e)
• a 40% reduction in energy consumption and maintain 100% renewable electricity sourcing
• certifying 40% of floor area to be LEED, WELL or equivalent standard, with a focus on Citi-owned buildings to operate at the highest level of sustainability

Citi reports Scope 1, Scope 2 and Scope 3 Business Travel GHG emissions in both its Environmental Impact Report and its Carbon Disclosure Project response. Citi's global energy consumption and GHG emissions can be found in the annual Environmental, Social and Governance Report. Citi's GHG emissions and environmental data are verified and assured by SGS, a leading third-party inspection, verification, testing and certification company.

Streamlined Energy and Carbon Reporting

The company consumed less than 40,000 kWh of energy during the year and, as such, has not provided the disclosure required by Part 7 of Schedule 7 (disclosures concerning greenhouse gas emissions) of S.I. 2008/410.

Energy efficiency in action

As part of a financial services provider, the main sources of greenhouse emissions from R. B. Bishopsgate Investments Limited's operations are the running of data centres, the offices in which the majority of employees are based and the Scope 3 business travel of employees travelling for work.

Environment (continued)

Disclosures concerning greenhouse gas emissions (continued)

Energy efficiency in action (continued)

Whether undertaking new construction or renovating existing buildings, Citi prioritize efficiency and sustainability to minimize the environmental impact of its facilities. In the company's UK-based sites as part of its energy management system, interval data analysis is conducted fortnightly to track savings from energy efficiency measures. This allows the company to consistently review the efficacy of proposed measures and identify any problems.

In 2020, as the result of the COVID-19 pandemic and associated lockdowns from March onward, employee occupation of offices was heavily reduced resulting in a 20-30% decrease in energy consumption during lockdown months. The tenants told all employees to work from home where possible and invested in upgrading video conferencing and online meeting tools in order to facilitate this transition.

The travel restrictions put in place also greatly reduced Scope 3 emissions associated with air and rail travel, as well as the number of car journeys taken by employees in 2020. With a return to office scheduled for 2021, the Citigroup's video conferencing and remote-working tools will stay in place, ensuring employees don't travel for work unless necessary.

Employees

There were no persons employed by the Company during the year and no persons have been employed by the Company since the year end.

Charitable donations and political contributions

The Company made no charitable donations and political contributions or incurred any political expenditure during the year (2019: £nil).

Post balance sheet events

Non-adjusting events

A key theme for 2021 will continue to be the global spread of COVID-19, which has resulted in governments taking varied actions towards stemming its spread and bolstering economies. The impact of COVID-19 is expected to continue for the coming months, with a more positive outlook hinging on the timely rollout of vaccines and the success in limiting the spread of new variants. The road to recovery from COVID-19 will be uneven across countries depending on their exposure to the virus and their ability to ease restrictions. In considering going concern, the Company, its parent and Citigroup Inc. globally are closely monitoring the spread of COVID-19, the actions and reactions of governments and the potential effects it will have on its business.

R. B. BISHOPSGATE INVESTMENTS LIMITED
DIRECTORS' REPORT
for the year ended 31 December 2020

Disclosure of information to auditor

In accordance with section 418 of the Companies Act 2006 it is stated by the Directors who held office at the date of approval of this Directors' Report that, so far as each is aware, there is no relevant audit information of which the Company's Auditor is unaware; and each Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information. This statement is made subject to all the provisions of section 418.

Auditor

In accordance with Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board

JWarren

J Warren
Director

10 November 2021

Incorporated in England and Wales
Registered Office: Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB
Registered Number: 08405543

R. B. BISHOPSGATE INVESTMENTS LIMITED
STRATEGIC REPORT
for the year ended 31 December 2020

The Directors present the Strategic Report of R. B. Bishopsgate Investments Limited for the year ended 31 December 2020.

Principal activity

The principal activity of the Company during the year was that of property investment. The Company derives its revenues from its leasehold property held within the United Kingdom.

Company performance

The Company recorded a profit before tax for the year of £58,504 thousand (2019: £20,668 thousand). The increase is mainly due to the new income line of intercompany recharges and the change in the accounting period length. The profit for the year, after taxation, amounted to £48,211 thousand (2019: £19,457 thousand).

Company position

The Company's net asset position increased from £960,777 thousand as at 31 December 2019, to net assets of £1,019,281 thousand as at 31 December 2020. The reason for the increase was due to the allocation of the profit of the year to the retained profit and loss account.

Key performance indicators

The Company's Directors consider that the financial results shown above are the key financial performance indicators for the operations of the Company.

Section 172 statement

Section 172(1) of the Companies Act 2006 requires each director of the Company to act in a way in which he/she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to a range of matters including:

- the likely consequences of any decision in the long-term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between the Company's members.

The Directors of the Company give careful consideration to the matters referred to in section 172(1) when discharging their legal duties. As a Board, we believe in taking decisions for the long-term benefit of the Company and look to safeguard the Company's reputation by upholding the highest standards of business conduct. Depending on the issue in question, the relevance of each stakeholder group and other relevant factors may vary. As such, the Board strives to understand the needs and priorities of each stakeholder group and the other factors relevant to the issue in question during its deliberations and as part of its decision-making.

The Board may seek advice about the implications of their legal duties at any time from our Company Secretary. The Company is in the process of developing series of refresher trainings for its current directors, and a comprehensive induction programme for new directors which includes training on their statutory duties.

R. B. BISHOPSGATE INVESTMENTS LIMITED
STRATEGIC REPORT
for the year ended 31 December 2020

Principal risks and uncertainties

The Company seeks to minimise exposure to financial risks. The Company also has exposure to asset risk on the residual value of its investment property which is recognised at historical cost less accumulated depreciation and any impairment.

The Directors believe that the principal risk facing the Company is a significant reduction in the market value of the investment property. Despite the uncertainty caused by the UK's decision to withdraw its membership of the European Union, demand for prime commercial assets in London remains strong and the directors have no reason to believe that the market value of the investment property will significantly decline in the foreseeable future. As a result, no impairment triggers were identified.

At present, the Directors do not foresee any significant uncertainties in relation to the Company's financial performance over the next 12 months.

Financial risk management

The Company's financial instruments comprise receivable from parent, borrowings, cash and various items such as trade creditors that arise directly from its operations. The main risks arising from the Company's financial instruments are cash flow risk and liquidity risk. The Company has no formal procedures for managing these risks, though the Company continually reviews these risks and takes actions as deemed necessary.

Future outlook

The Company's strategy continues to be to maximise its income from its investment property.

By order of the Board

JWarren

J Warren
Director

10 November 2021

Incorporated in England and Wales
Registered office: Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB
Registered number: 02924707

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF R.B. Bishopsgate Investments Limited

Opinion

We have audited the financial statements of R.B. Bishopsgate Investments Limited ("the company") for the year ended 31 December 2020 which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in Note 2.

In our opinion the financial statements:

- 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 UK accounting standards, including FRS 101 *Reduced Disclosure Framework*: and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analyzed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
- we have not identified and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors as to the company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that company's management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because of the limited opportunity to commit fraud due to the fact the revenue recognized is based on the terms of signed lease agreements and therefore there are no judgmental aspects involved.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of some of the company-wide fraud risk management controls.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF R.B. Bishopsgate Investments Limited

Fraud and breaches of laws and regulations – ability to detect (continued)

Identifying and responding to risks of material misstatement due to fraud (continued)

We performed procedures including:

- Identifying journal entries and other adjustments to test them based on risk criteria and comparing the identified entries to supporting documentation. These included those having specific key words like 'Adj, Restatement, Classification' etc and those having zero as the monetary value of the journal.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Directors (as required by auditing standards) and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report.
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF R.B. Bishopsgate Investments Limited

Directors' responsibilities

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

M Davies

Matthew Davies (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

15 Canada Square
London
E14 5GL

10 November 2021

R. B. BISHOPSGATE INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2020

	Note	For the year ended 31 December 2020	For the period ended 31 December 2019
		£'000	£'000
Turnover	4	74,822	43,634
Administrative expenses	5	(16,215)	(24,001)
Operating profit		58,607	19,633
Interest receivable	8	-	1,563
Interest payable and similar charges	8	(103)	(528)
Profit before income tax		58,504	20,668
Corporation Tax charge	9	(10,293)	(1,211)
Total comprehensive profit for the year		48,211	19,457

All amounts relate to continuing operations.

There were no recognised gains and losses for the period ended on 31 December 2020 or 31 December 2019 other than those included in the Profit and loss account.

The accompanying notes on pages 14 to 26 form an integral part of these financial statements.

R. B. BISHOPSGATE INVESTMENTS LIMITED

BALANCE SHEET
as at 31 December 2020

	Note	31 December 2020 £'000	31 December 2019 £'000
Non-current assets			
Investment property	10	1,048,640	1,053,986
Deferred tax assets	9	32,787	35,732
		1,081,427	1,089,718
Current assets			
Cash at bank and in hand	11	59,981	30,296
Amounts due from third parties		152	-
Amounts due from group undertakings	12	76,043	52,104
		136,176	82,400
Creditors: amounts falling due within one year	13	(44,666)	(37,092)
Net current assets		91,510	45,308
Creditors: amounts falling due after one year	13	(163,949)	(174,249)
Net assets		1,008,988	960,777
Capital and reserves			
Called up share capital	14	-	-
Profit and loss account	15	1,008,988	960,777
Shareholders' funds		1,008,988	960,777

The accompanying notes on pages 14 to 26 form an integral part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 November 2021.

JWarren

J Warren
Director

Registered Number: 02924707

R. B. BISHOPSGATE INVESTMENTS LIMITED

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2020

	Note	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
Balance as at 31 March 2019		1,062	282,711	283,773
Profit for the period		-	19,457	19,457
Comprehensive income for the period		-	19,457	19,457
Capital increase	14	657,547	-	657,547
Capital reduction	14	(658,609)	658,609	-
Balance as at 31 December 2019		-	960,777	960,777
Balance as at 1 January 2020		-	960,777	960,777
Profit for the period		-	48,211	48,211
Comprehensive income for the period		-	48,211	48,211
Balance as at 31 December 2020		-	1,008,988	1,008,988

The accompanying notes on pages 14 to 26 form an integral part of these financial statements.

R. B. BISHOPSGATE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. General information

R.B. Bishopsgate Investments Limited is a limited liability company incorporated in England and Wales. Its principal place of business was 33 Davies Street, London WIK 4LR until 12 April 2019. On 12 April 2019, the Company changed its registered office and principal place of business to Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.

The continuing activity of the Company is investment in property in London, United Kingdom.

The Company's Financial Statements are prepared for the year ended 31 December 2020, while the comparative information presented in these financial statements cover a 9-month period from 1 April 2019 to 31 December 2019. Consequently, amounts presented in the financial statements are not entirely comparable.

2. Principal accounting policies

The accounting policies have been applied consistently throughout the current year and the preceding period.

2.1 Basis of presentation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Company Act 2006 ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company has taken advantage of the following disclosure exemptions available under FRS 101:

- the requirement in paragraph 38 of IAS 1 'Presentation of financial statements' to present comparative information in respect of paragraphs 76 and 79(d) of IAS 40 'Investment Property';
- the requirements of IAS 7 'Statement of cash flows';
- the requirement in paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors';
- the requirements of IAS 24 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- the requirements of paragraphs 17 and 18A of IAS 24 that relate to transactions with key management personnel;
- the requirements of IFRS 7 'Financial Instruments: Disclosures'; and
- the requirements of IFRS 13 'Fair Value Measurement'.

2. Principal accounting policies (continued)

2.1 Basis of presentation (continued)

The financial statements are prepared on a going concern basis. The Directors are satisfied that the Company has the resources to continue in business for the foreseeable future. In making this assessment, the Directors have considered a wide range of information relating to present and future conditions, including the implications from the pandemic (COVID-19) outbreak.

The functional and financial statements presentational currency of the Company is Pound Sterling ('£') and all values are rounded to the nearest thousands, except where otherwise indicated.

The Company's results are consolidated in the financial statements of its ultimate parent company, Citigroup Inc., which are made available to the public annually.

2.2 Changes in accounting policy and disclosures

The accounting policies adopted are consistent within the accounts and with those of the previous financial year, except for certain amendments to the IFRS standards implemented as at 1 January 2020, which did not have a material impact on the Company unless otherwise noted below. There were no other material or amended standards or interpretations that resulted in a change in accounting policy for the year ended 31 December 2020.

Amendments to References to Conceptual Framework in IFRS Standards

The revised Conceptual Framework for Financial Reporting (Conceptual Framework) issued in March 2018 was effective on or after 1 January 2020 for companies that use it to develop accounting policies when no IFRS Standard applies to a particular transaction. It does not override the requirements of individual IFRSs. Adoption of the revised Conceptual Framework has not had a material impact on the Company.

Definition of a Business (Amendments to IFRS 3)

The IASB has amended the definition of a business for purposes of determining whether an acquisition is an acquisition of a business or an asset acquisition. This amendment applies to acquisitions occurring in annual reporting periods beginning on or after 1 January 2020. The amendment has not had a material impact on the Company.

Definition of Material (Amendments to IAS 1 and IAS 8)

The IASB has clarified that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. The amendment has not had a material impact on the Company.

2. Principal accounting policies (continued)

2.2 Changes in accounting policy and disclosures(continued)

Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

LIBOR is currently used as the interest rate benchmark to price or value a wide range of financial products. Citigroup, and by extension the Company, is currently conducting a global LIBOR governance and implementation program which is focused on identifying and addressing the LIBOR transition impacts to Citi's clients, operational capabilities and legal and financial contracts, among others. The program operates globally across Citigroup's businesses and functions. Citigroup, and by extension the Company, also continued to engage with regulators, financial accounting bodies and others on LIBOR transition matters. Citigroup also has continued to identify its LIBOR transition exposures, including financial instruments that do not contain contract provisions that adequately contemplate the discontinuance of reference rates and that would require additional negotiation with counterparties. Citigroup's LIBOR transition efforts include, among other things, using alternative reference rates in certain newly issued financial instruments and products. Further, Citigroup has also been investing in its systems and infrastructure, as client activity moves away from LIBOR to alternative reference rates.

In September 2019, the IASB issued the Phase 1 of its response to IBOR Reform, which were amendments to IAS 39 and IFRS 9 addressing hedge accounting matters arising prior to the transition to new reference rate reform. Because the Company does not apply hedge accounting referencing LIBOR in its standalone financial statements, these amendments did not impact the Company. On 27 August 2020, the IASB issued the Phase 2 amendments which address transition and post-replacement issues, including issues broader than hedge accounting such as modifications of financial assets and liabilities. These amendments are effective for annual periods beginning on or after 1 January 2021, with earlier application permitted. However, as the Company does not apply hedge accounting referencing LIBOR in its standalone financial statements and has no such exposures, these amendments will not have any impact on the Company.

2.3 Turnover

Turnover represents rental income receivable, amounts from group undertakings and amortisation of deferred income, which are recognised on a straight line basis over the life of the lease.

2.4 Investment property

Investment property comprises the leasehold property of Citigroup Centre 2 ('CGC2'), 25 Canada Square, Canary Wharf, London. Property held under a lease is classified as investment property when it is held to earn rentals or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production or administrative functions.

R. B. BISHOPSGATE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

2. Principal accounting policies (continued)

2.4 Investment property (continued)

The Company has elected to measure the investment property using a cost model, i.e. to be carried at historical cost less accumulated depreciation and impairment. Any subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred. Depreciation is calculated on a straight line basis to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold building	-	50 years
Land	-	Unlimited

At each reporting date, the Company assesses whether there is any indication that its investment property is to be impaired. The investment property is tested for impairment annually or more frequently if events or changes in circumstance indicate that it might be impaired. An impairment loss is recognised if the investment property's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the investment property's fair value less costs of disposal and value in use. Impairment losses are recognised in the profit and loss account.

Investment property is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other operating income in the income statement in the year the asset is derecognised. In determining the amount of consideration to be included in the gain or loss arising from the derecognition of investment property, the Company considers the effects of variable consideration, the existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any) in accordance with the requirements for determining the transaction price in IFRS 15.

2.5 Cash and cash equivalents

Cash is represented by cash at bank and in hand. The Company holds no cash equivalents.

2.6 Financial instruments

The Company enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and events subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The Company does not apply hedge accounting for interest rate and foreign exchange derivatives.

2. Principal accounting policies (continued)

2.6 Financial instruments (continued)

In the prior period, the Company had repaid its existing secured loan facility in full, resulting in the extinguishment of the existing charges that the Company had entered into, including variable to fixed rate interest swaps to manage its exposure to interest rate cash flow risk on its variable rate debt. These derivatives were measured at fair value at each balance sheet date.

The fair value of the interest rate swap was the estimated amount that the Company would receive or pay to terminate the swap at the balance sheet date, taking into account the current interest rates and the current creditworthiness of the swap counterparty. No open derivatives were held by the Company as at 31 December 2020 (2019: £nil).

2.7 Derecognition of financial assets and liabilities

Financial assets are derecognised when the right to receive cash flow from assets has expired or the Company has transferred substantially all the risks and rewards of ownership or, in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

2.8 Leases – as lessor

The Company determines at lease inception whether or not each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership to the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether or not the lease is for the major part of the economic life of the asset.

2.9 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Dividends

Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.11 Current and deferred taxation

Income tax payable on profits is recognised as an expense based on the applicable tax laws in each jurisdiction in the period in which profits arise. Deferred tax assets and liabilities are recognised for taxable and deductible temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised to the extent that it is probable that there will be sufficient profits available against which these differences can be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the asset will be realised or the liability will be settled based on tax rates that are enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted. As the Company has elected to measure the investment property using a cost model, the Initial Recognition Exemption is deemed to apply such that no deferred tax is recognised on the investment property.

3. Use of assumptions, estimates and judgements

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. The following judgments have had the most effect on amounts recognised in the financial statements:

Impairment of investment property
Judgements are applied in estimating the impairment losses on investment property which should be recorded in the income statement. Please refer to Note 2.4 for inputs, assumptions and estimating techniques for impairment of investment property.

3. Use of assumptions, estimates and judgements (continued)

Deferred tax
The Company's accounting policy for the recognition of deferred tax assets is described in Note 2.11 – 'Principal accounting policies'. A deferred tax asset is recognised to the extent that it is probable that suitable future taxable profits will be available against which deductible temporary differences can be utilised. The recognition of a deferred tax asset relies on management's judgements surrounding the probability and sufficiency of suitable future taxable profits, future reversals of existing taxable temporary differences and planning strategies.

The amount of the deferred tax asset recognised is based on the evidence available about conditions at the statement of financial position date, and requires significant judgements to be made by management, especially those based on management's projections of business growth, credit losses and the timing of a general economic recovery. Management's forecasts support the assumption that it is probable that the future results of the Company will generate sufficient suitable taxable income to utilise the deferred tax assets.

4. Turnover

	For the year ended 31 December 2020 £'000	For the period ended 31 December 2019 £'000
Rental income	47,879	35,909
Amounts from group undertakings	16,643	-
Deferred lease premium	10,300	7,725
	74,822	43,634

All turnover arose within the United Kingdom.

The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	For the year ended 31 December 2020 £'000	For the period ended 31 December 2019 £'000
Less than one year	47,879	47,879
Between one and five years	191,516	191,516
More than five years	569,760	617,639
	809,155	857,034

R. B. BISHOPSGATE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

5. Administrative expenses

	For the year ended 31 December 2020	For the period ended 31 December 2019
	£'000	£'000
Administrative expenses include:		
Legal fee	98	-
Arrangement fee amortisation	-	4,929
Auditor's remuneration	127	125
Depreciation expense (Note 10)	15,990	12,014
Prepayment fee	-	6,931

6. Directors' remuneration

	For the year ended 31 December 2020	For the period ended 31 December 2019
	£'000	£'000
Aggregate emoluments	172	144
Contributions to money purchase pension scheme	13	10
	185	154

Contributions to money purchase pension schemes are accruing to three of the Directors (2019: three). Contributions to defined benefit pension schemes are accruing for no Directors (2019: none). Two of the Directors of the Company participate in parent company share plans (2019: two).

The remuneration of the highest paid Director was £152,529 (2019: £114,242) and accrued pension of £12,139 (2019: £9,101).

The Directors benefit from qualifying third party indemnity provisions in place during the financial year and at the date of this report. The above remuneration is based on the apportionment of time incurred by the Directors for services to the Company, both in their capacity as a Director and, where applicable, their normal employment. The cost of Directors' emoluments are borne by other group undertakings.

During the year, no Director received any emoluments (2019: £nil).

7. Auditors' remuneration

	For the year ended 31 December 2020	For the period ended 31 December 2019
	£'000	£'000
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	127	125

8. Interest receivable, interest payable and similar charges

	For the year ended 31 December 2020 £'000	For the period ended 31 December 2019 £'000
Interest receivable		
Interest rate swap fair value movement	-	1,563
	-	1,563
Interest payable and similar charges		
Bank interest payable	103	528
	103	528

9. Taxation

a) Analysis of the tax charge for the year

	For the year ended 31 December 2020 £'000	For the period ended 31 December 2019 £'000
Current tax		
UK corporation tax	7,284	2,184
Adjustment in respect of prior years	65	-
Total current tax	7,348	2,184
Deferred tax		
Origination and reversal of timing differences	6,889	(1,209)
Changes to tax rates	(4,176)	127
Adjustment in respect of prior years	232	109
Total deferred tax	2,945	(973)
Tax charge / (credit)	10,293	1,211

R. B. BISHOPSGATE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

9. Taxation (continued)

b) Factors affecting tax charge for the year

	For the year ended 31 December 2020 £'000	For the period ended 31 December 2019 £'000
Profit / (Loss) before tax	58,504	20,668
Tax on Profit / (Loss) at standard UK tax rate of 19% (2019: 19%)	11,116	3,927
Effects of:		
Chargeable Gain on part disposal of lease	-	-
Capitalisation of lease premium	-	-
Deferred tax on investment property revaluation	-	-
Tax rate changes	(4,176)	127
Deferred tax on losses (now recognised)/ not recognised	-	(5,682)
Deferred tax not provided for on FV of Swap	-	-
Adjustment in respect of prior years	297	109
Group relief surrendered for no consideration	-	-
Expenses not deductible	3,057	2,730
Tax charge / (credit) (Note 9a)	10,293	1,211

The main rate of corporation tax in the UK has been 19% from 1 April 2017. The Finance Act 2016, which was enacted on 15 September 2016, reduced the main rate of corporation tax to 17% with effect from 1 April 2020. The deferred tax balances have been calculated at this rate.

The 2020 Budget has removed the reduction to 17% such that the rate will remain at 19%, however, the impact of this has not been reflected, as this has not been substantively enacted at the balance sheet date.

c) Deferred taxation

The deferred tax asset is made up as follows:

	December 31 2020 £'000	December 31 2019 £'000
Deferred Tax Asset / (Liability) at the beginning of the period	35,732	34,759
Credited to profit or loss	2,945	973
Deferred Tax Asset / (Liability) at the end of the period	32,787	35,732

	December 31 2020 £'000	December 31 2019 £'000
Tax losses carried forward	-	4,358
Deferred tax on lease premium capitalised	33,107	31,374
Qualifying Leasehold Improvements	(320)	-
	32,787	35,732

10. Investment property

	Land and Building £'000
Cost	
At 31 December 2019	1,088,500
Additions	10,644
Write off	-
Disposal	-
Transfer	-
Transfer between classes	-
At 31 December 2020	1,099,144
Depreciation and amortisation	
At 31 December 2019	34,514
Charge for the period	15,990
On disposals	-
Transfer	-
At 31 December 2020	50,504
Net book value	
At 31 December 2020	1,048,640
At 31 December 2019	1,053,986

The investment property is held on a 999 year lease with 980 years remaining.

Land's value represents 25% of the investment property while the building represents 75%; based on independent valuation performed in December 2018.

	December 31 2020 £'000	December 31 2019 £'000
Fair value of the investment property	1,120,000	1,481,051

The fair value of the investment property as at 31 December 2020 was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

As at 31 December 2019, the fair value of the investment property was determined using a discounted cash flow (DCF) method performed by the Company. Under the DCF method, fair value was estimated using assumptions regarding its best use, such as the benefits of ownership and leasing it to affiliate entities over the asset's life including an exit or terminal value. This method involved the projection of a series of cash flows on a real property interest including rental income and sale proceeds, which were discounted using an appropriate, market derived discount rate. The duration of the cash flows and the specific timing of inflows and outflows were determined by useful life of the investment property, which was determined to be 50 years in accordance with the Company's accounting policy as described in Note 2.4 – Principal accounting policies – Investment property.

R. B. BISHOPSGATE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

11. Cash at bank and in hand

	December 31 2020 £'000	December 31 2019 £'000
Cash at bank and in hand	59,981	30,296

12. Amounts due from group undertakings

	December 31 2020 £'000	December 31 2019 £'000
Amounts owed by parent	28,164	28,164
Amounts owed by group undertakings	47,879	23,940
	76,043	52,104

Amounts owed by group undertakings includes receivables from rentals, as per the lease contract with CIB Properties Ltd. and Citibank N. A., London Branch. No impairment was recognised on Amounts owed by group undertakings.

On 6 July 2018, the Company, at the time ultimately owned by Jermyn Street Commercial Real Estate Fund III Limited paid an interim dividend of £214,987 thousand. This payment was based on prior management's belief that the one-off lease restructuring payment of £200,000 thousand received from the Company's lessee in early July 2018 was immediately and entirely recognisable as income and fully distributable. The current Company disagreed that the still prevailing or referential accounting standards allow for the complete and immediate recognition of the entire lease restructuring amount, but rather that the standards call for the amounts to be booked as deferred income and accreted over the remaining life of the lease, ending in 2037.

In light of this revenue recognition change, the Company, under its prior Directors, has made a distribution in excess of its distributable reserves of £28,058 thousand as at 31 March 2019. Management's plan is to settle it, once the Company has an adequate level of distributable reserve to do so.

R. B. BISHOPSGATE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

13. Creditors

Amounts falling due within one year

	December 31 2020 £'000	December 31 2019 £'000
Corporation tax payable	1,604	3,259
Account payable	1,753	-
Accruals	380	253
Deferred income	10,300	10,300
Bank loans	23,280	23,280
	37,317	37,092

Amounts falling due after more than one year

	December 31 2020 £'000	December 31 2019 £'000
Deferred income	163,949	174,249
	163,949	174,249

On 12 April 2019, the Company repaid its existing secured loan facility of £643,125 thousand in full, resulting in the extinguishment of the existing charges over the property at 25 Canada Square, Canary Wharf, London and units 50-53 and walkway, Canada Place, Canary Wharf, London. The Company also terminated its interest rate swaps upon the repayment of the loan in the amount of £7,695 thousand.

In November 2019, the Company entered into a loan agreement with a fellow group company in the amount of £23,280 thousand.

14. Share capital

	December 31 2020 £	December 31 2019 £
Allotted, called up and fully paid		
100 (2019: 100) ordinary share of £0.01 each	1	1

On 12 April 2019, the Company increased its share capital from £1,062,443.28 to £658,609,010 by allotting and issuing 65,754,656,702 ordinary shares of £0.01 each to Canada Square Investments Ltd.

On 29 August 2019, the Company reduced its existing share capital from £658,609,010 to £1, by cancelling and extinguishing 65,860,900,930 of the ordinary shares of £0.01 each which are registered in the name of Canada Square Investments Ltd.

15. Reserves

Profit and loss account

Includes all current and prior periods retained profits and losses, less dividends paid.

When the Company reduced its existing share capital from £658,609,010 to £1, the capital amount was transferred to the profit and loss account.

16. Capital commitments

As at 31 December 2020 the Company was committed to fit out costs in respect of assets in the course of construction of £40,222,880 (2019: £nil).

17. Post balance sheet events

A key theme for 2021 will continue to be the global spread of COVID -19, which has resulted in governments taking varied actions towards stemming its spread and bolstering economies. The impact of COVID-19 is expected to continue for the coming months, with a more positive outlook hinging on the timely rollout of vaccines and the success in limiting the spread of new variants. The road to recovery from COVID-19 will be uneven across countries depending on their exposure to the virus and their ability to ease restrictions. In considering going concern, the Company, its parent and Citigroup Inc. globally are closely monitoring the spread of COVID-19, the actions and reactions of governments and the potential effects it will have on its business.

18. Ultimate parent company and parent companies

The Company's immediate parent undertaking is Canada Square Investments Limited, incorporated in England and Wales. The audited financial statements of the immediate parent are available to the public annually and may be obtained from its registered office at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.

Citigroup Inc. became its ultimate parent company and ultimate controlling party. Citigroup Inc. is incorporated in United States of America, and its audited consolidated financial statements are made available to the public annually in accordance with Securities and Exchange Commission regulations and may be obtained from its registered office at 1209 Orange Street, Wilmington, New Castle, DE, 19810, United States of America and ww.citigroup.com/citi/corporategovernance/ar.htm.