

**10 CABOT SQUARE II UNIT TRUST LP LIMITED**  
**Registered Number: SC312226**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

TUESDAY



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# **10 CABOT SQUARE II UNIT TRUST LP LIMITED**

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# **10 CABOT SQUARE II UNIT TRUST LP LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011**

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The directors present their report with the audited financial statements for the year ended 31 December 2011. This report has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006.

### **BUSINESS REVIEW AND PRINCIPAL ACTIVITIES**

The company is a wholly owned subsidiary of Canary Wharf Group plc and its ultimate parent undertaking is Songbird Estates plc.

The company has an interest as a Limited Partner in the 10 Cabot Square II Unit Trust SLP.

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

As shown in the company's profit and loss account, the company's profit after tax for the year was £14,519 (2010: £15,931).

The balance sheet shows the company's financial position at the year end and indicates that net assets were £406,044 (2010: £391,525).

### **DIVIDENDS AND RESERVES**

The profit and loss account for the year ended 31 December 2011 is set out on page 6. No dividends have been paid or proposed (2010: £Nil) and the retained profit of £14,519 (2010: profit of £15,931) has been transferred to reserves.

### **GOING CONCERN**

The company's business activities, together with the factors likely to affect its future development, performance and position, are set out in this Directors' Report. The finances of the company and its liquidity position and borrowings are, where appropriate, also described in this report.

The company is in a net asset position at the year end. In addition, as a member of the Canary Wharf Group, the company has access to considerable resources.

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

### **DIRECTORS**

The directors of the company throughout the year ended 31 December 2011 were:

A P Anderson II  
Sir George Iacobescu CBE  
R J J Lyons

The company provides an indemnity to all directors (to the extent permitted by law) in respect of liabilities incurred as a result of their office. The company also has in place liability insurance covering the directors and officers of the company. Both the indemnity and insurance were in force during the year ended 31 December 2011 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.

# 10 CABOT SQUARE II UNIT TRUST LP LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011


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### STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

Each director holding office at the date of this report has taken all the steps that he ought to have taken as a director in order to make himself aware of relevant audit information and to establish that the company's auditor is aware of that information. As far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418(2) of the Companies Act 2006.

BY ORDER OF THE BOARD

  
..... Company Secretary  
J R Garwood

3 August 2012

Registered office:  
4th Floor, Saltire Court  
20 Castle Terrace  
Edinburgh  
Lothian  
EH1 2EN

Registered Number: SC312226

## **10 CABOT SQUARE II UNIT TRUST LP LIMITED**

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

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The directors are responsible for preparing the 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

## **10 CABOT SQUARE II UNIT TRUST LP LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 10 CABOT SQUARE II UNIT TRUST LP LIMITED**

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We have audited the financial statements of 10 Cabot Square II Unit Trust LP Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related Notes 1 to 8. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

#### **Respective responsibilities of directors and auditor**

As explained more fully in the 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

## **10 CABOT SQUARE II UNIT TRUST LP LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 10 CABOT SQUARE II UNIT TRUST LP LIMITED**

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#### **Matters on which we are required to report by exception**

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

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



**Mark Beddy (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountant and Statutory Auditor**

3 August 2012

# 10 CABOT SQUARE II UNIT TRUST LP LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	Year Ended 31 December 2011 £	Year Ended 31 December 2010 £
<b>OPERATING PROFIT</b>	<b>2</b>	—	—
Share of income from investment in partnership	<b>4</b>	14,519	15,931
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		14,519	15,931
Tax on profit on ordinary activities	<b>3</b>	—	—
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE YEAR</b>	<b>6</b>	14,519	15,931

Movements in reserves are shown in Note 6 of these financial statements.

All amounts relate to continuing activities in the United Kingdom.

The Notes on pages 9 to 12 form an integral part of these financial statements.



## 10 CABOT SQUARE II UNIT TRUST LP LIMITED

### STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 DECEMBER 2011

	Year Ended 31 December 2011 £	Year Ended 31 December 2010 £
Profit for the financial year	14,519	15,931
Unrealised surplus on revaluation of: Investment in partnerships	—	2,073
Total recognised gains relating to the year	<u>14,519</u>	<u>18,004</u>

The Notes on pages 9 to 12 form an integral part of these financial statements.

# 10 CABOT SQUARE II UNIT TRUST LP LIMITED

## BALANCE SHEET AS AT 31 DECEMBER 2011

	Note	31 December 2011 £	31 December 2010 £
<b>FIXED ASSETS</b>			
Investments	4	378,344	363,825
<b>CURRENT ASSETS</b>			
Cash at bank		27,700	27,700
<b>TOTAL ASSETS</b>		<u>406,044</u>	<u>391,525</u>
<b>NET ASSETS</b>		<u>406,044</u>	<u>391,525</u>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	5	299,700	299,700
Revaluation reserve	6	23,338	23,338
Profit and loss account	6	83,006	68,487
<b>SHAREHOLDERS' FUNDS</b>	7	<u>406,044</u>	<u>391,525</u>

The Notes on pages 9 to 12 form an integral part of these financial statements.

APPROVED BY THE BOARD ON 3 AUGUST 2012 AND SIGNED ON ITS BEHALF BY:



R J J LYONS  
DIRECTOR

# **10 CABOT SQUARE II UNIT TRUST LP LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011**

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### **1. PRINCIPAL ACCOUNTING POLICIES**

A summary of the principal accounting policies of the company, all of which have been applied consistently throughout the year and the preceding year, is set out below.

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments and in accordance with applicable United Kingdom accounting standards. The financial statements have been prepared on the going concern basis as described in the Directors' Report.

In accordance with the provisions of FRS 1 (Revised) the company is exempt from the requirements to prepare a cash flow statement, as it is a wholly-owned subsidiary of Canary Wharf Group plc, which has prepared a consolidated cash flow statement.

#### **Investments**

The investment in the Partnership is revalued annually to reflect the share of the company's net assets in the Partnership. The company's share of the Partnership's profits and losses is included in the profit and loss account and the company's share of unrealised gains and losses is taken to the revaluation reserve.

#### **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. The company is part of a UK group for group relief purposes and accordingly may take advantage of the group relief provisions whereby current taxable profits can be offset by current tax losses arising in other companies in that group. The group's policy is that no payment will be made for tax losses surrendered under the group relief provisions.

### **2. OPERATING PROFIT**

None of the directors received any emoluments in respect of their services to the company during the year or the prior year.

No staff were employed by the company during the year or the prior year.

Auditors' remuneration of £250 (2010: £250) for the audit of the company has been borne by another group undertaking.

# 10 CABOT SQUARE II UNIT TRUST LP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

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### 3. TAXATION

	Year Ended 31 December 2011 £	Year Ended 31 December 2010 £
Tax reconciliation:		
Profit on ordinary activities before tax	<u>14,519</u>	<u>15,931</u>
Tax on profit on ordinary activities at UK corporation tax rate of 26.5% (2010: 28.0%)	3,848	4,460
Effects of:		
Group relief	<u>(3,848)</u>	<u>(4,460)</u>
Current tax charge for the year	<u>-</u>	<u>-</u>

The tax rate of 26.5% has been calculated by reference to the current corporation tax rate of 26% which was in effect for the final three quarters of the year and the previous rate of 28% which was in effect for the first quarter of the year.

No provision for corporation tax has been made since the taxable profit for the year will be covered by the group relief expected to be made available to the company by other companies in the group. No charge will be made by other group companies for the surrender of group relief. There is no unprovided deferred taxation.

# 10 CABOT SQUARE II UNIT TRUST LP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

### 4. INVESTMENTS

#### Investment in partnerships

	£
<b>CAPITAL ACCOUNT</b>	
At 1 January 2011	295,338
At 31 December 2011	295,338
<b>CURRENT ACCOUNT</b>	
At 1 January 2011	68,487
Income for the year	14,519
At 31 December 2011	83,006
<b>NET BOOK VALUE</b>	
At 31 December 2011	378,344
At 1 January 2011	363,825

As a limited partner, the company has contributed 99.9% of the capital of 10 Cabot Square II Unit Trust SLP, a Scottish Limited Partnership established 28 November 2006. The partnership has a minority interest in 10 Cabot Square II Unit Trust.

In accordance with Section 400 of the Companies Act 2006, financial information is only presented in these financial statements about the company as an individual undertaking and not about its group because the company and the Scottish Limited Partnership are included in the consolidated financial statements of a larger group (Note 8).

### 5. CALLED-UP SHARE CAPITAL

#### Allotted, called up and fully paid:

	31 December 2011 £	31 December 2010 £
299,700 Ordinary shares of £1 each	299,700	299,700

## 10 CABOT SQUARE II UNIT TRUST LP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

#### 6. RESERVES

	Revaluation reserve	Profit and loss account	Total
	£	£	£
At 1 January 2011	23,338	68,487	91,825
Profit for the year	—	14,519	14,519
At 31 December 2011	<u>23,338</u>	<u>83,006</u>	<u>106,344</u>

#### 7. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 December 2011	31 December 2010
	£	£
Opening shareholders' funds	391,525	373,521
Profit for the year	14,519	15,931
Revaluation	—	2,073
Closing shareholders' funds	<u>406,044</u>	<u>391,525</u>

#### 8. ULTIMATE PARENT UNDERTAKING AND RELATED PARTY TRANSACTIONS

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

As at 31 December 2011, 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 plc. The largest group of which the company is a member for which group financial statements are drawn up is the consolidated financial statements of Songbird Estates plc, the ultimate parent undertaking and controlling party. Copies of the financial statements of both companies may be obtained from the Company Secretary, One Canada Square, Canary Wharf, London E14 5AB.

The directors have taken advantage of the exemption in paragraph 3(c) of FRS 8 allowing the company not to disclose related party transactions with respect to other group companies.