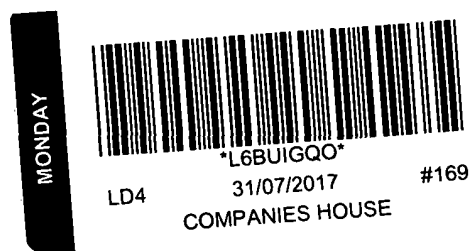


CANARY WHARF DEVELOPMENTS LIMITED

Registered number: 6199021

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016



CANARY WHARF DEVELOPMENTS LIMITED

CONTENTS

	Page
Directors' Report	1
Directors' Responsibilities Statement	2
Independent Auditor's Report	3 - 4
Statement of Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Notes to the Financial Statements	8 - 19

CANARY WHARF DEVELOPMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

In preparing this report, the directors have taken advantage of the small companies exemptions.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was to act as an investment company.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £17,186,485 (2015 -£42,853,346).

No dividends have been paid or proposed in the year (2015 - £NIL).

DIRECTORS

The directors who served during the year 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 2016 and at the time of the approval of this Directors' Report. Neither the indemnity nor the insurance provide cover in the event that the director is proven to have acted dishonestly or fraudulently.

DISCLOSURE OF INFORMATION TO AUDITOR

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

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

This report was approved by the board on 27 July 2017 and signed on its behalf.



J R Garwood
Secretary

CANARY WHARF DEVELOPMENTS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

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

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

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

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

CANARY WHARF DEVELOPMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANARY WHARF DEVELOPMENTS LIMITED

We have audited the financial statements of Canary Wharf Developments Limited for the year ended 31 December 2016, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 15. The relevant financial reporting framework that has been applied in their preparation is the applicable law and the 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'.

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement, 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 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 MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit: the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with those financial statements; and the Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

CANARY WHARF DEVELOPMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CANARY WHARF DEVELOPMENTS LIMITED (CONTINUED)

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 or from the requirement to prepare a Strategic Report.

A handwritten signature in black ink, appearing to read 'Mark Beddy', with a long horizontal flourish extending to the right.

Mark Beddy (Senior Statutory Auditor)
for and on behalf of
Deloitte LLP
Statutory Auditor
London, UK

27 July 2017

CANARY WHARF DEVELOPMENTS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 £	2015 £
Provision against investments	8	(491,827)	-
Movement in fair value of investment in JPUT	8	(9,039,659)	42,149,004
OPERATING (LOSS)/PROFIT		(9,531,486)	42,149,004
Dividend received	8	16,790,100	-
Interest receivable and similar income	6	7,378,642	7,094,473
PROFIT BEFORE TAX		14,637,256	49,243,477
Tax on profit	7	2,549,229	(6,390,131)
PROFIT FOR THE YEAR		17,186,485	42,853,346
OTHER COMPREHENSIVE INCOME NET OF TAX		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		17,186,485	42,853,346

The notes on pages 8 to 19 form part of these financial statements.

CANARY WHARF DEVELOPMENTS LIMITED
REGISTERED NUMBER: 6199021

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Investments	8	319,658,632	302,216,809
		<u>319,658,632</u>	<u>302,216,809</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	9	249,385,576	292,685,988
Cash at bank and in hand		112,127	111,859
		<u>249,497,703</u>	<u>292,797,847</u>
Creditors: amounts falling due within one year	10	(387,569,601)	(428,065,178)
NET CURRENT LIABILITIES		<u>(138,071,898)</u>	<u>(135,267,331)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		181,586,734	166,949,478
Deferred tax	11	(16,114,583)	(18,663,812)
NET ASSETS		<u>165,472,151</u>	<u>148,285,666</u>
CAPITAL AND RESERVES			
Called up share capital	12	1	1
Retained earnings	13	165,472,150	148,285,665
		<u>165,472,151</u>	<u>148,285,666</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 July 2017.



R J J Lyons
Director

The notes on pages 8 to 19 form part of these financial statements.

CANARY WHARF DEVELOPMENTS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Called up share capital	Retained earnings	Total equity
	£	£	£
At 1 January 2016	1	148,285,665	148,285,666
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	17,186,485	17,186,485
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	17,186,485	17,186,485
AT 31 DECEMBER 2016	1	165,472,150	165,472,151

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

	Called up share capital	Retained earnings	Total equity
	£	£	£
At 1 January 2015	1	105,432,319	105,432,320
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	42,853,346	42,853,346
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	42,853,346	42,853,346
AT 31 DECEMBER 2015	1	148,285,665	148,285,666

The notes on pages 8 to 19 form part of these financial statements.

CANARY WHARF DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. GENERAL INFORMATION

Canary Wharf Developments Limited is an English Limited Company registered at One Canada Square, Canary Wharf, London, E14 5AB.

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

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

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

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

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

2.2 Going concern

At the year end, the company is in a net asset position, but has net current liabilities. Included in this are group creditors of £387,569,601, which to the extent that the company cannot pay, will not be called in for at least a period of 12 months from the signing date of the financial statements.

In addition, as a member of the Canary Wharf Group, the company has access to considerable resources.

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.

2.3 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 DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. ACCOUNTING POLICIES (CONTINUED)

2.4 Investments

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

Loans to subsidiaries which only entitle the company to an interest in the assets of the company once it has completed its principal activity are treated as additional investments.

Investments in unit trusts are stated at fair value, with changes recognised in other comprehensive income unless the carrying amount of the investment falls below its original cost, after which the deficit is recognised in the Statement of Comprehensive Income.

Other investments 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. Revenue profits and losses in unit trusts are recognised on an accruals basis.

2.5 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

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

Loans receivable

Loans receivable are recognised initially at the transaction price including 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.

Trade and other payables

Trade and other creditors are stated at cost.

CANARY WHARF DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

2. ACCOUNTING POLICIES (CONTINUED)

Borrowings

Standard loans payable are recognised initially at the net proceeds including transaction costs, unless the gross proceeds do not represent the value of a financing transaction. In this case the present value of future payments discounted at a market rate of interest for a similar debt instrument is used in place of proceeds and the difference between the two amounts is accounted for as a capital component.

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

Where loans are subject to contractual terms and arrangements that are non-standard, the carrying value is assessed as the present value of the most likely contractual cash flows, subject to the limitations of the underlying terms. Any movements are recognised in the income statement.

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.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing difference. Deferred tax relating to investment property is measured using the tax rates and allowances that apply to the sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expenses or income.

CANARY WHARF DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

3. CRITICAL ACCOUNTING JUDGMENTS 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.

Valuation of investments

Investments in JPUTs are carried at fair value. The directors have valued the investment at the company's share of the JPUT's net asset value.

Valuation of intercompany debt

In assessing the carrying value of non-standard loans, the company forecasts the present value of the most likely contractual cash flows of the underlying instrument. Estimates and judgments are made in the timing and quantum of the cash flows, the discount rate applied, as well as the impact of the underlying terms that can be triggered in the agreements to change the cash flows. These assessments are reviewed and amended annually.

4. AUDITOR'S REMUNERATION

The auditor's remuneration of £800 (2015 - £800) for the audit of the company has been borne by another group undertaking.

5. EMPLOYEES

The company has no employees other than the directors, who did not receive any remuneration (2015 -£NIL).

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2016 £	2015 £
Interest receivable from group companies	7,378,384	7,093,889
Other interest receivable	258	584
	<u>7,378,642</u>	<u>7,094,473</u>

CANARY WHARF DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

7. TAXATION

	2016 £	2015 £
Current tax on profits for the year	-	-
TOTAL CURRENT TAX	-	-
DEFERRED TAX		
Origination and reversal of timing differences	(1,512,351)	7,617,499
Changes to tax rates	(1,036,878)	(1,227,368)
TOTAL DEFERRED TAX	(2,549,229)	6,390,131
TAXATION ON (LOSS)/PROFIT ON ORDINARY ACTIVITIES	(2,549,229)	6,390,131

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is different to the standard rate of corporation tax in the UK of 20% (2015 -20.25%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	14,637,256	49,243,477
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 -20.25%)	2,927,451	9,971,804
EFFECTS OF:		
Expenses not deductible for tax purposes	116,432	-
Adjustments to tax charge in respect of prior periods	-	(597,374)
Dividends not taxable	(3,358,020)	-
Changes in tax rates	(769,994)	(2,179,555)
Group relief	(1,465,098)	(804,744)
TOTAL TAX (CREDIT)/CHARGE FOR THE YEAR	(2,549,229)	6,390,131

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The standard rate of corporation tax payable reduced from 21.0% to 20.0% with effect from 1 April 2015.

Enacted in the Finance Act (No.2) 2015 is a reduction in the corporation tax rate to 19.0% on 1 April 2017 and a further reduction to 17.0% on 1 April 2020. Deferred tax has been provided by reference to this enacted corporation tax rate.

CANARY WHARF DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

8. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £	Investment in Jersey Property Unit Trusts £	Investment loans £	Investment in joint ventures £	Total £
COST OR VALUATION					
At 1 January 2016	109,335,333	177,977,114	14,903,860	503	302,216,810
Additions	62,700	25,362,309	-	-	25,425,009
Converted to investment in share capital	16,452,160	-	(16,452,160)	-	-
Unwind of loan discount	-	-	1,548,300	-	1,548,300
Share of profit/(loss)	-	(9,039,659)	-	-	(9,039,659)
At 31 December 2016	125,850,193	194,299,764	-	503	320,150,460
IMPAIRMENT					
At 1 January 2016	1	-	-	-	1
Charge for the period	491,827	-	-	-	491,827
At 31 December 2016	491,828	-	-	-	491,828
NET BOOK VALUE					
At 31 December 2016	125,358,365	194,299,764	-	503	319,658,632
At 31 December 2015	109,335,332	177,977,114	14,903,860	503	302,216,809

A dividend of £16,790,100 was paid by Canary Wharf (FSLP) Limited during the year.

Subsidiary Undertakings

A complete list of the company's subsidiary undertakings is shown in note 15.

During the year the company subscribed for 139,025 ordinary £1 shares in Canary Wharf (FS Invest) Limited at par, 3,369 ordinary £1 shares in Canary Wharf (FSGP) Limited at par, 16,309,766 ordinary £1 shares in Canary Wharf (FSLP) Limited at par, 1 ordinary £1 share in Canary Wharf NQO GP Limited (formerly Canary Wharf (RD) Limited) at par, 1 ordinary £1 share in Canary Wharf (CHR) Limited at par, 1 ordinary £1 share in Canary Wharf NQO Holdco Limited (formerly Canary Wharf (Thirty) Limited) at par, 3 ordinary £1 shares in CW Wood Wharf J4 Limited at par, 3 ordinary £1 shares in CW Wood Wharf H3 Limited at par 14,737 ordinary £1 shares in Heron Quays West LP (Two) Limited at par and 47,954 ordinary £1 shares in Heron Quays West LP (One) Limited at par.

Dividends of £16,790,100 were paid by the company's subsidiaries during the year (2015 - £NIL).

CANARY WHARF DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Investment in Jersey Properties Unit Trusts

At 31 December 2016 the company held 99.94% of the units in the Heron Quays West Investment Unit Trust.

	2016 £	2015 £
Initial contribution	2,991,009	2,991,009
Additional contribution	101,486,975	76,124,666
Capitalised fees	41,004	41,004
	<u>104,518,988</u>	<u>79,156,679</u>
	2016 £	2015 £
Cost of investment in Jersey Property Unit Trust	104,518,988	79,156,679
Share of capital profits	94,791,667	103,646,840
Share of revenue losses	(5,010,891)	(4,826,405)
	<u>194,299,764</u>	<u>177,977,114</u>

Investment in joint ventures

The company holds 500 ordinary £1 shares at par in 20 Fenchurch Street Developer Limited. This is a 50:50 joint venture with Land Securities Group plc.

The company also holds 1 ordinary £1 share in Braeburn Estates Developments (1) Limited, 1 ordinary £1 share at par in Braeburn Estates Developments (Infrastructure) Limited and 1 ordinary £1 share at par in Braeburn Estates Developments (2) Limited. These are 50:50 joint ventures with Qatari Diar Real Estate Investment Company.

Investment loans

The investment loans comprise loans to Canary Wharf (FSLP) Limited, Canary Wharf (FSGP) Limited and Canary Wharf (FS Invest) Limited which were interest free and repayable out of profits of the companies in priority to dividends. During the year, the balance on these loans was refinanced by means of issues of share capital.

The directors are of the opinion that the value of the company's investments at 31 December 2016 was not less than the amount shown in the company's Statement of Financial Position. In accordance with Section 400 of the Companies Act 2006, financial information is only presented in these financial statements about the company as an individual undertaking and not about its group because the company and its subsidiary undertakings are included in the consolidated financial statements of a larger group (Note 14).

CANARY WHARF DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

9. DEBTORS

	2016 £	2015 £
Amounts owed by group undertakings	249,385,548	292,685,952
Prepayments and accrued income	28	36
	<u>249,385,576</u>	<u>292,685,988</u>

Amounts owed by group undertakings consists of the following:

	2016 £	2015 £
Amounts owed by own subsidiary undertakings	77,825,198	126,955,687
Loan to fellow subsidiary undertaking	171,560,350	165,730,265
	<u>249,385,548</u>	<u>292,685,952</u>

The loan to a fellow subsidiary undertaking carries interest at a rate linked to LIBOR and is repayable on demand.

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

10. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Amounts owed to group undertakings	387,569,601	428,065,178
	<u>387,569,601</u>	<u>428,065,178</u>

Amounts owed to group undertakings consist of the following:

	2016 £	2015 £
Amounts owed to parent undertaking	100,403,255	199,633,607
Amounts owed to fellow subsidiary undertakings	11,242,856	11,242,847
Amounts owed to subsidiary undertakings	16,309,771	5
Loan from parent undertaking	259,613,719	217,188,719
	<u>387,569,601</u>	<u>428,065,178</u>

The loan from a parent undertaking and other amounts owed to group undertakings are interest free and repayable on demand.

CANARY WHARF DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

11. DEFERRED TAXATION

	2016 £
At beginning of year	(18,663,812)
Charged to profit or loss	2,549,229
AT END OF YEAR	(16,114,583)

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Revaluation of investments	(16,114,583)	(18,663,812)
	<u>(16,114,583)</u>	<u>(18,663,812)</u>

12. SHARE CAPITAL

	2016 £	2015 £
Allotted, called up and fully paid		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

13. RESERVES

The distributable reserves of the company differ from its retained earnings as follows:

	2016 £	2015 £
Retained earnings	165,472,150	148,285,665
Share of unrealised revaluation surplus	(94,791,667)	(103,646,840)
Deferred tax on unrealised revaluation surplus	<u>16,114,583</u>	<u>18,663,812</u>
Distributable reserves	<u>86,795,066</u>	<u>63,302,637</u>

CANARY WHARF DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

14. CONTROLLING PARTY

The company's immediate parent undertaking is Canary Wharf Group plc.

As at 31 December 2016, the smallest group of which the company is a member and for which group financial statements are drawn up is the consolidated financial statements of Canary Wharf Group Investment Holdings plc. Copies of the financial statements may be obtained from the Company Secretary, One Canada Square, Canary Wharf, London E14 5AB.

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

15. SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the company:

DIRECT SUBSIDIARY UNDERTAKINGS

Name	Country of incorporation	Class of shares	Holding	Principal activity
Canary Wharf (CHR) Limited	England & Wales	Ordinary	100%	Property development
Canary Wharf (Drapers Gardens) Limited	England & Wales	Ordinary	100%	Investment holding
Canary Wharf (FS Invest) Limited	England & Wales	Ordinary	100%	Investment holding
Canary Wharf (FSGP) Limited	England & Wales	Ordinary	100%	Investment holding
Canary Wharf (FSLP) Limited	England & Wales	Ordinary	100%	Investment holding
Canary Wharf Contractors (10BS) Limited	England & Wales	Ordinary	100%	Property contractor
Canary Wharf Contractors (1BS) Limited	England & Wales	Ordinary	100%	Property contractor
Canary Wharf Holdings (PB) Limited	England & Wales	Ordinary	100%	Investment holding
Canary Wharf Investments (RSNQ) Limited	England & Wales	Ordinary	100%	Investment holding
Canary Wharf NQO GP Limited (formerly Canary Wharf (RD) Limited)	England & Wales	Ordinary	100%	Property development
Canary Wharf NQO Holdco Limited (formerly Canary Wharf (Thirty) Limited)	England & Wales	Ordinary	100%	Property development
CW Wood Wharf H3 Limited	England & Wales	Ordinary	100%	Property development
CW Wood Wharf J4 Limited	England & Wales	Ordinary	100%	Property development
Heron Quays West GP (One) Limited	Scotland	Ordinary	100%	General partner
Heron Quays West GP (Two) Limited	Scotland	Ordinary	100%	General partner
Heron Quays West Infrastructure Development Company Limited	England & Wales	Ordinary	100%	Property development
Heron Quays West LP (One) Limited	England & Wales	Ordinary	100%	Investment holding
Heron Quays West LP (Two) Limited	England & Wales	Ordinary	100%	Investment holding

CANARY WHARF DEVELOPMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

INDIRECT SUBSIDIARY UNDERTAKINGS

Name	Country of incorporation	Class of shares	Holding	Principal activity
Canary Wharf (North Quay) Limited	England & Wales	Ordinary	100%	Property investment
Canary Wharf (PB) Jersey Limited	Jersey	Ordinary	100%	Investment holding
Canary Wharf (Riverside South) Limited	England & Wales	Ordinary	100%	Dormant
Drapers Gardens (2) B.V.	Netherlands	Ordinary	100%	Investment holding
Heron Quays West (1) Limited Partnership	England & Wales	Ordinary	100%	Property investment
Heron Quays West (1) T1 Limited	England & Wales	Ordinary	100%	Trustee landlord
Heron Quays West (1) T2 Limited	England & Wales	Ordinary	100%	Trustee landlord
Heron Quays West (T1) Limited	England & Wales	Ordinary	100%	Dormant
Heron Quays West GP (Four) Limited	England & Wales	Ordinary	100%	General partner
Heron Quays West GP (Three) Limited	England & Wales	Ordinary	100%	General partner
Heron Quays West Investment (One) SLP	Scotland	Partnership capital	100%	Investment holding
Heron Quays West Investment (Two) SLP	Scotland	Partnership capital	100%	Investment holding
Heron Quays West Limited Partnership	England & Wales	Ordinary	100%	Property investment
Heron Quays West T2 Limited	England & Wales	Ordinary	100%	Dormant

Subsidiaries incorporated in England and Wales are registered at One Canada Square, Canary Wharf, London E14 5AB. Subsidiaries incorporated in Scotland are registered at Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN. Subsidiaries incorporated in Jersey are registered at 47 Esplanade, St Helier, Jersey, JE1 0BD.