

Registered number: 2693876

VECTOR INVESTMENTS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

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VECTOR INVESTMENTS LIMITED

COMPANY INFORMATION

Directors	J M R Muhammad K K Shah (appointed 9 April 2018)
Registered number	2693876
Registered office	16 Palace Street London SW1E 5JQ
Independent auditor	KPMG LLP Chartered Accountants and Statutory Auditors 15 Canada Square London E14 5GL

VECTOR INVESTMENTS LIMITED

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VECTOR INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their audited report and the financial statements of Vector Investments Limited (the 'Company'), for the year ended 31 December 2018.

Business review

The Company's principal activity is the development of, and investment, in property.

The Company's financial statements for the year summarise the property and other income.

The Company's subsidiary undertaking, Vector Trading Limited, was put into Members Voluntary Liquidation on 31 October 2016 and was dissolved on 15 April 2018.

Future developments

The Company continues to consider viable development opportunities.

Results and dividends

The result for the year amounted to £NIL (2017 - £NIL).

The directors do not recommend the payment of a dividend (2017: £NIL).

Principal risks and uncertainties

Conditions in the UK property market have experienced a significant downturn in recent years and whilst improvements have been observed in certain situations, these have related to particular locations and types of property. Tenant and investor demand for commercial property continues to remain soft. These represent uncertainties in the operating environment rather than risks which can be managed.

Going concern

The Company has net liabilities of £3,383,478 (2017: £3,383,478). The immediate parent undertaking, Istithmar P&O Estates (UK) Limited, has given a written undertaking that it will continue to support the Company to enable it to meet its liabilities as they fall due. Based on this undertaking, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and consider, therefore, that it remains appropriate to prepare the financial statements on a going concern basis.

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

R O Keshiro (resigned 9 April 2018)

J M R Muhammad

K K Shah (appointed 9 April 2018)

VECTOR INVESTMENTS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Qualifying third party indemnity provisions

All directors are entitled to contractual indemnification from the Company to the extent permitted by law against claims and legal expenses incurred in the course of their duties.

Such qualifying third party indemnity insurance is provided and remains in force as at the date of approving the Director's report.

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.

Independent auditor's

PricewaterhouseCoopers LLP were auditor's to the Company for year ended 31 December 2017. KPMG LLP replaced PricewaterhouseCoopers LLP for the year ended 31 December 2018.

Small companies note

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

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



J M R Muhammad
Director

Date: 24 September 2019

Registered Office 16 Palace Street, London SW1E 5JQ

VECTOR INVESTMENTS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

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 they have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including FRS 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also 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 safeguarding the assets of the Company and prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VECTOR INVESTMENTS LIMITED

Opinion

We have audited the financial statements of Vector Investments Limited ("the company") for the year ended 31 December 2018 which comprise the Profit and loss account, the Balance sheet, the Statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as recoverability of debtors and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

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").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect



the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

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 absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Directors' report

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

Our responsibility is to read 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 directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, 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.

A handwritten signature in black ink, appearing to read 'Tom Eve'.

Tom Eve (Senior statutory auditor)
for and on behalf of
KPMG LLP
Chartered Accountants and Statutory Auditors
15 Canada Square
London
E14 5GL

26 September 2019

VECTOR INVESTMENTS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018**

The Company has not traded during the year or the preceding financial year. During these periods, the Company received no income and incurred no expenditure and therefore made neither profit or loss.

The notes on pages 11 to 16 form part of these financial statements.

VECTOR INVESTMENTS LIMITED
REGISTERED NUMBER: 2693876

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Current assets			
Debtors	8	4,152,005	4,152,005
		<u>4,152,005</u>	<u>4,152,005</u>
Creditors: amounts falling due within one year	9	(7,535,483)	(7,535,483)
Net current liabilities		<u>(3,383,478)</u>	<u>(3,383,478)</u>
Total assets less current liabilities		<u>(3,383,478)</u>	<u>(3,383,478)</u>
Net liabilities		<u><u>(3,383,478)</u></u>	<u><u>(3,383,478)</u></u>
Capital and reserves			
Called up share capital	10	18,350,000	18,350,000
Profit and loss account		(21,733,478)	(21,733,478)
Total deficit		<u><u>(3,383,478)</u></u>	<u><u>(3,383,478)</u></u>

The Company's financial statements on pages 7 to 16 have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 7 to 16 were approved and authorised for issue by the board of directors and were signed on its behalf by:


J M R Muhammad
 Director

Date: 24 September 2019

The notes on pages 11 to 16 form part of these financial statements.

VECTOR INVESTMENTS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2018	18,350,000	(21,733,478)	(3,383,478)
Comprehensive income for the year			
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	-	-
Total transactions with owners	-	-	-
At 31 December 2018	18,350,000	(21,733,478)	(3,383,478)

The notes on pages 11 to 16 form part of these financial statements.

VECTOR INVESTMENTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2017	18,350,000	(21,733,478)	(3,383,478)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	-	-
Total transactions with owners	-	-	-
At 31 December 2017	18,350,000	(21,733,478)	(3,383,478)

The notes on pages 11 to 16 form part of these financial statements.

VECTOR INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

Vector Investments Limited (the 'Company') principal activities are the development of, and investment, in property.

The Company is a wholly owned subsidiary of Istithmar P&O Estates (UK) Limited.

The Company is a private company limited by shares and is organised in the United Kingdom. The address of its registered office is 16 Palace Street, London SW1E 5JQ.

2. Statement of compliance

The individual financial statements of Vector Investments Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Company has adopted FRS 102 in these financial statements.

3.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company has taken advantage of the following exemptions:

- (i) from preparing a statement of cash flow, on the basis that it is a qualifying entity for the small company exemption.
- (ii) the non-disclosure of key management personnel compensation in total.
- (iii) a reconciliation of the number of shares outstanding at the beginning and end of the period.
- (iv) certain financial instrument disclosures providing equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated."

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 4).

The following principal accounting policies have been applied:

3.2 Going concern

The directors have received written assurances from a fellow group undertaking, Istithmar P&O Estates (UK) Limited, that the Company will be provided with sufficient financial support to enable it to meet its liabilities as they fall due for the foreseeable future. Accordingly, the financial statements have been prepared on the basis that the Company is a going concern.

VECTOR INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

3. Summary of significant accounting policies (continued)

3.3 Revaluation of tangible fixed assets

Investment properties are included in the Balance sheet at their fair value in accordance with Statement of Standard Accounting Practice No.19 and are not depreciated. This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the Company. Any increase or diminution in the value of properties is reflected in the Statement of Comprehensive Income.

3.4 Valuation of investments

Investments are stated at cost less any provision for impairment. Impairment losses are recognised in the Profit and loss account in the period in which they arise. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised.

3.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

3.6 Creditors

Short term creditors are measured at the transaction price.

3.7 Taxation

Tax is recognised in the Profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

VECTOR INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

3. Summary of significant accounting policies (continued)

3.8 Called up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.9 Related party

The Company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the Group.

3.10 Consolidated financial statements

The Company is a wholly owned subsidiary of Istithmar P&O Estates (UK) Limited. The smallest group of companies for which consolidated financial statements are prepared and in which the Company is consolidated is Istithmar Building FZE. The largest group of companies for which consolidated financial statements are prepared and in which the Company is consolidated is the ultimate parent company Dubai World. The consolidated financial statements of both groups are available on request. Therefore the Company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are the Company's separate financial statements.

4. Critical accounting judgements and estimation uncertainty

There were no critical accounting judgements and estimation uncertainty during the year.

5. Operating result

(a) The Company's business is organised and turnover is generated wholly in the United Kingdom.

(b) The basis of charging intra-group interest is agreed between the parties from time to time.

(c) Fees for audit £2,600 (2017 - £2,600) provided by KMPG LLP to the Company in 2018 and by PricewaterhouseCoopers LLP to the Company in 2017, these have been borne by other group undertakings.

(d) Administrative income and expenses incurred are unrecoverable property related expenses and a provision for bad debts.

6. Employees

The Company has no employees (2017: none) other than the directors, who did not receive any remuneration (2017 - £NIL).

No Director received any emoluments during the year for services to the Company (2017: £NIL). The Company considers that there is no practicable method to accurately allocate a portion of the emoluments the Directors receive from their respective Group company employer to the qualifying services they provide to the Company. The Company is also of the opinion any allocation would be immaterial.

VECTOR INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

7. Tax on result on ordinary activities

	2018 £	2017 £
Total current tax	-	-
Total deferred tax	-	-
Taxation on result on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2017 - the same as) the standard rate of corporation tax in the UK of 19% (2017 - 19.25%) as set out below:

Effects of:

Total tax charge for the year	-	-
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Factors that may affect future tax charges

From 1 April 2017 the UK corporation tax rate was reduced from 20% to 19%. Further reductions to 17% from 1 April 2020 were substantively enacted on 6 September 2016. The rate change will impact the amount of future tax recognised by the Company. However it does not have any effect on the current year results.

Unrecognised deferred tax

A deferred tax asset of £2,320,549 (2017: £2,320,549) in respect of non-trading losses has not been recognised as there is uncertainty as to the existence of future profits/gains available for offset.

A deferred tax asset of £91,523 (2017: £91,523) in respect of decelerated capital allowances has not been recognised as there is no depreciation charged to the profit and loss account. A deferred tax asset will be recognised when there are suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

VECTOR INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

8. Debtors

	2018 £	2017 £
Amounts owed by group undertakings	4,152,005	4,152,005
	<u>4,152,005</u>	<u>4,152,005</u>

There are no debtors falling due after more than one year.

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

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Amounts owed to group undertakings	7,535,483	7,535,483
	<u>7,535,483</u>	<u>7,535,483</u>

There are no creditors falling due after more than one year.

Amounts owed to group undertakings are unsecured, interest free and have no repayment date.

VECTOR INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

10. Called up share capital

	2018 £	2017 £
Authorised		
100,000 (2017 - 100,000) Ordinary shares of £1.00 each	100,000	100,000
18,750,000 (2017 - 18,750,000) Cumulative redeemable preference shares of £1.00 each	18,750,000	18,750,000
	<u>18,850,000</u>	<u>18,850,000</u>
Allotted, called up and fully paid		
100,000 (2017 - 100,000) Ordinary shares of £1.00 each	100,000	100,000
18,250,000 (2017 - 18,250,000) Cumulative redeemable preference shares of £1.00 each	18,250,000	18,250,000
	<u>18,350,000</u>	<u>18,350,000</u>

11. Controlling party

The immediate parent undertaking at 31 December 2018 is Istithmar P&O Estates (UK) Limited, a company incorporated in the United Kingdom.

The smallest group of companies for which consolidated financial statements are prepared and in which the Company is consolidated is Istithmar Building FZE, a company incorporated in Dubai. The consolidated financial statements of this group are available on request from P.O. Box 1700, Dubai, United Arab Emirates.

The largest group of companies for which consolidated financial statements are prepared and in which the Company is consolidated is the ultimate parent company Dubai World. The consolidated financial statements of this group are available on request from P.O. Box 1700, Dubai, United Arab Emirates.