
VECTOR INVESTMENTS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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VECTOR INVESTMENTS LIMITED

COMPANY INFORMATION

Directors	R O Keshiro J M R Muhammad
Registered number	2693876
Registered office	16 Palace Street London SW1E 5JQ
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH

VECTOR INVESTMENTS LIMITED

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VECTOR INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the financial statements of Vector Investments Limited (the 'Company'), for the year ended 31 December 2017.

Business review

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

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

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

Future developments

The Company continues to consider viable development opportunities.

Results and dividends

The result for the financial year amounted to £NIL (2016 - £942,940).

The directors do not recommend the payment of a dividend (2016: £NIL).

Principal risks and uncertainties

Price risk

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 (2016: £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
J M R Muhammad

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.

VECTOR INVESTMENTS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

Directors' responsibilities statement

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), 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 judgments and accounting estimates that are reasonable and prudent; 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 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.

VECTOR INVESTMENTS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

Disclosure of information to auditors

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

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

Independent auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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.



R O Keshiro
Director

Date: 6 April 2018

VECTOR INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VECTOR INVESTMENTS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Vector Investments Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2017; the profit and loss account, the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

VECTOR INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VECTOR INVESTMENTS LIMITED (CONTINUED)

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors 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.

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

VECTOR INVESTMENTS LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VECTOR INVESTMENTS LIMITED
(CONTINUED)**

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

N. Hare

Nick Hare (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
6 April 2018

VECTOR INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2017

	Note	2017 £	2016 £
Administrative expenses		-	2,300
Operating result/profit	4	-	2,300
Income from other fixed asset investments	5	-	940,740
Amounts written off investments		-	(100)
Result/profit on ordinary activities before tax		-	942,940
Tax on result/profit on ordinary activities	6	-	-
Result/profit for the financial year		<u>-</u>	<u>942,940</u>

The Company has not traded during the year. During this period, the Company received no income and incurred no expenditure and therefore made neither profit or loss.

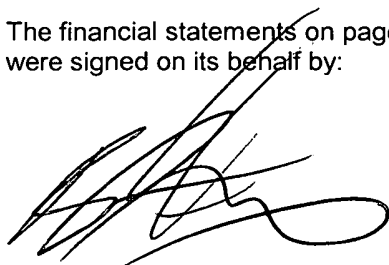
VECTOR INVESTMENTS LIMITED
REGISTERED NUMBER: 2693876

BALANCE SHEET
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Current assets			
Debtors	7	4,152,005	4,152,005
		<u>4,152,005</u>	<u>4,152,005</u>
Creditors: amounts falling due within one year	8	(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	9	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 19 have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 7 to 19 were approved and authorised for issue by the board of directors and were signed on its behalf by:



R O Keshiro
Director

Date: 6 April 2018

The notes on pages 9 to 15 form part of these financial statements.

VECTOR INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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 accounting policies.

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 2017

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 Creditors

Short term creditors are measured at the transaction price.

3.6 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.

3.7 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.

VECTOR INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

3. Summary of significant accounting policies (continued)

3.8 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.

3.9 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 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

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

4. Operating result/profit

- (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 and non-audit services provided by PricewaterhouseCoopers LLP to the Company in 2016 and 2017 have been borne by other group undertakings. It is not practicable to ascertain what proportion of such fees relate to the Company.
- (d) Administrative income and expenses incurred are unrecoverable property related expenses and a provision for bad debts.

5. Income from other fixed asset investments

	2017 £	2016 £
Dividends received from unlisted investments	-	940,740

On 20 October 2016, the Company received a dividend of £940,740 from its subsidiary undertaking, Vector Trading Limited. The Company received payment by offset of the equivalent amount due to Vector Trading Limited.

VECTOR INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6. Tax on result/profit on ordinary activities

	2017 £	2016 £
Total current tax	-	-
Total deferred tax	-	-
Taxation on result/profit on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2016 - *lower than*) the standard rate of corporation tax in the UK of 19.25% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Result/profit on ordinary activities before tax	-	942,940
Result/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016 - 20%)	-	188,588
Effects of:		
Non-taxable income	-	(440)
Group income	-	(188,148)
Total tax charge for the year	-	-

VECTOR INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

6. Tax on result/profit on ordinary activities (continued)

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 (2016: £2,320,549) in respect of trading and 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 (2016: £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 2017**

7. Debtors

	2017	2016
	£	£
Amounts owed by group undertakings	4,152,005	4,152,005
	4,152,005	4,152,005

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.

8. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Amounts owed to group undertakings	7,535,483	7,535,483
	7,535,483	7,535,483

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 2017

9. Called up share capital

	2017 £	2016 £
Shares classified as equity		
Authorised		
100,000 (2016: 100,000) Ordinary shares of £1 each	100,000	100,000
18,750,000 (2016: 18,750,000) Cumulative redeemable preference shares of £1 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 (2016: 100,000) Ordinary shares of £1 each	100,000	100,000
18,250,000 (2016: 18,250,000) Cumulative redeemable preference shares of £1 each	18,250,000	18,250,000
	<u>18,350,000</u>	<u>18,350,000</u>