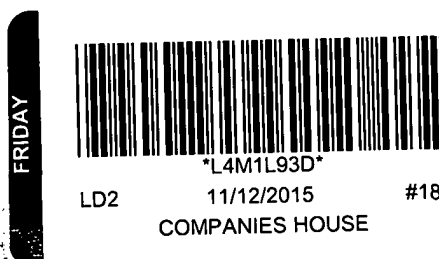


**QDD EV N26 Limited**

## **Annual report and financial statements**

**For the year ended 31 March 2015**

**Company Registration No. 08613942**



# **QDD EV N26 Limited**

*Annual report and financial statements for the year ended  
31 March 2015*

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## **QDD EV N26 Limited**

*Annual report and financial statements for the year ended  
31 March 2015*

## **COMPANY INFORMATION**

### **Directors**

DV4 Administration Limited

Sheikh Jassim Al-Thani

Stephen James Pettit

Colin Barry Wagman

### **Registered office**

6th Floor Lansdowne House

Berkeley Square

London

W1J 6ER

### **Auditors**

Ernst & Young LLP

1 More London Place

London

SE1 2AF

## **QDD EV N26 Limited**

*Annual report and financial statements for the year ended  
31 March 2015*

### **Directors' Report**

The Directors present the annual report and the audited financial statements for the year ended 31 March 2015.

#### **Directors**

The Directors who served during the year were:

- DV4 Administration Limited (appointed 12 January 2015)
- Sheikh Jassim Al-Thani (appointed 12 January 2015)
- Stephen James Pettit (appointed 6 August 2014)
- Colin Barry Wagman (appointed 6 August 2014)
- James Woolhouse (resigned 6 August 2014)
- Geraldine Murphy (resigned 6 August 2014)
- Pieter De Waal – Secretary (resigned 6 August 2014)

#### **Principal activities**

The Company started trading in the current year and the principal activity is the collection of ground rent from the fellow group company that has a sub-lease on the Company's plot at East Village, London E20.

#### **Results and dividends**

The profit for the year amounted to £123k (2014: £nil from period of incorporation) before tax and £97k (2014: £nil from period of incorporation) after tax.

The directors do not recommend payment of an ordinary dividend.

#### **Principal risks and uncertainties**

In the opinion of the directors, the major risk faced by the company is if the lessee experiences financial difficulties and fails to honour the terms of the lease, then the company's income stream from collection of ground rents would be hindered. This risk is mitigated as the company can recover the asset expeditiously.

The Company is also exposed to the following specific risks:

##### ***Credit risk***

The Company receives ground rents from the sub lessee company of residential properties. It has credit risk to the extent that those companies are exposed to the property market overall however its exposure is limited due to the seniority of the ground payments in the overall leasing arrangements.

##### ***Liquidity risk***

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company aims to mitigate liquidity risk by maintaining adequate reserves.

## **QDD EV N26 Limited**

*Annual report and financial statements for the year ended  
31 March 2015*

### **Directors' Report (continued)**

#### **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments.

#### *Currency risk*

The Company has no significant assets or liabilities denominated in currencies other than Pounds Sterling and is therefore not exposed to currency risk at the balance sheet date.

#### *Interest rate risk*

The Company do not have any interest bearing financial liabilities. The finance lease income is fixed with future fixed increases.

#### **Going concern**

The financial statements of the Company have been prepared on a going concern basis. The Directors have referred to cash flow forecasts for the coming year in order to understand the requirements of the Company.

The Directors have a reasonable expectation that the company has adequate financial resources to continue in operational existence for the foreseeable future, and consider it appropriate to prepare the financial statements on a going concern basis.

#### **Directors' statement as to disclosure of information to auditors**

The Directors who were members of the Board at the time of approving the Directors' Report are shown above. Having made enquiries of fellow Directors and of the Company's auditor, each of these Directors confirms that:

- to the best of each Director's knowledge and belief, there is no information (that is, information needed by the Company's auditor in connection with preparing their report) of which the Company's auditor is unaware; and
- each Director has taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information.

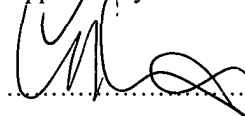
#### **Auditors**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Ernst & Young LLP as auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

#### **Small companies' exemption**

In preparing the report and financial statements, the directors have taken advantage of the small companies' exemption provided under the Companies Act 2006. The directors have also taken advantage of the exemption provided under Section 414B of the Companies Act 2006 for the requirement to produce a Strategic Report for the year.

Approved by the Board of Directors and signed on behalf of the Board.



Colin Wagman

Director

16 November 2015

## **QDD EV N26 Limited**

*Annual report and financial statements for the year ended  
31 March 2015*

### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable UK 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 company 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 those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- 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.

# **Independent Auditor's Report to the Members of QDD EV N26 Limited**

We have audited the financial statements of QDD EV N26 Limited for the year ended 31 March 2015 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 12. The financial reporting framework that has been applied in the preparation of the company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework"

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 set out on page 5 the company's 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 Directors' 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 March 2015 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.

# Independent Auditor's Report to the Members of QDD EV N26 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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- ▶ the company 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.
- ▶ the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take the advantage of the small companies' exemptions in not preparing the Strategic Report and take advantage of the small companies' exemption in preparing the Directors' Report.

## Other matters

- ▶ The corresponding figures for the period ended 31 March 2014 included in the Statements of Comprehensive Income, the Statement of Financial Position and the Statement of changes in equity are unaudited.

  
Matthew Williams (Senior statutory auditor)  
For and on behalf of Ernst & Young LLP (Statutory Auditor)  
16 November 2015



## QDD EV N26 Limited

Annual report and financial statements for the year ended  
31 March 2015

### Statement of comprehensive income

		Audited Year ended 31 March 2015 £000	Unaudited From incorporation to 31 March 2014 £000
Notes			
Finance lease income		125	-
Administrative expenses	4	(2)	-
<b>Profit on ordinary activities before taxation</b>		<b>123</b>	<b>-</b>
Taxation	5	(26)	-
<b>Profit for the year</b>		<b>97</b>	<b>-</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>97</b>	<b>-</b>

## QDD EV N26 Limited

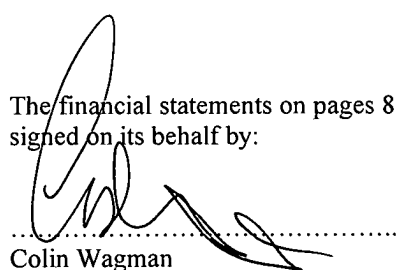
Annual report and financial statements for the year ended  
31 March 2015

### Statement of financial position

		Audited	Unaudited
		2015	2014
	Notes	£000	£000
<b>Non-current assets</b>			
Ground rent assets	6	2,533	-
		<u>2,533</u>	<u>-</u>
<b>Current assets</b>			
Debtors	7	77	-
		<u>77</u>	<u>-</u>
Creditors: amounts falling due within one year	8	(29)	-
<b>Net current asset</b>		<u>48</u>	<u>-</u>
<b>Total assets less current liabilities</b>		<u>2,581</u>	<u>-</u>
<b>Net assets</b>		<u><u>2,581</u></u>	<u><u>-</u></u>
<b>Capital and reserves</b>			
Share capital	9	-	-
Capital contribution		2,484	-
Retained earnings		97	-
<b>Total equity</b>		<u><u>2,581</u></u>	<u><u>-</u></u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 8 to 15 were approved by the Board of Directors for issue on 16 November 2015 and were signed on its behalf by:



Colin Wagman

Director  
Company Registration No. 08613942

**QDD EV N26 Limited**

*Annual report and financial statements for the year ended  
31 March 2015*

**Statement of changes in equity as at 31 March 2015**

	Share capital	Capital contribution	Retained earnings	Total equity
	£000	£000	£000	£000
From incorporation	-	-	-	-
Shares issued	-	-	-	-
Balance as at 31 March 2014 (unaudited)	-	-	-	-
Capital contribution received	-	2,484	-	2,484
Comprehensive income	-	-	97	97
<b>As at 31 March 2015</b>	<b>-</b>	<b>2,484</b>	<b>97</b>	<b>2,581</b>

## **QDD EV N26 Limited**

*Annual report and financial statements for the year ended  
31 March 2015*

### **Notes to the financial statements**

#### **1. Statement of compliance with FRS 101**

The company financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and under the historical cost convention in accordance with the Companies Act 2006.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2015. The financial statements are prepared in Sterling and are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

#### **2. Basis of preparation**

The Company has transitioned to FRS 101 from previously extant UK Generally Accepted Accounting Practice for all periods presented. There are no adjustments attributable to this transition. The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2015.

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

- the requirements of IFRS 7 Financial Instruments: Disclosures; and
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement.
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraphs 76 and 79(d) of IAS 40 Investment Property;
- the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a company, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

#### **Going concern**

The financial statements of the Company have been prepared on a going concern basis. The Directors have referred to cash flow forecasts for the coming year in order to understand the requirements of the Company.

The Directors have a reasonable expectation that the company has adequate financial resources to continue in operational existence for the foreseeable future, and therefore consider it appropriate to prepare the financial statements on a going concern basis.

## **Notes to the financial statements (continued)**

### **3. Summary of significant accounting policies**

#### **a) Ground rent assets**

Ground rent assets are treated as finance lease receivables, consequently they are recognised at an amount equal to the net investment in the lease. The lease payments received from the lessee are subsequently treated as repayments of principal and finance income. Lease payments are applied against the lease receivable to reduce both the principal and the unearned finance income.

#### **b) Revenue recognition**

Finance income is recognised based on a pattern reflecting a constant periodic rate of return on the lessor's outstanding finance lease receivable.

#### **c) Taxes**

##### **Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

##### **Deferred tax**

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that they can be utilised against taxable profits. However, deferred tax assets are not recognised where they relate to the deductible temporary difference arising from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

## QDD EV N26 Limited

Annual report and financial statements for the year ended  
31 March 2015

### Notes to the financial statements (continued)

#### 4. Operating profit

Operating profit is stated after charging:

	Year ended 31 March 2015	From incorporation to 31 March 2014
	£000	£000
Auditor's remuneration	1	-
Legal	1	-
	2	-

#### 5. Taxation

	Year ended 31 March 2015	From incorporation to 31 March 2014
	£000	£000
Current year tax	26	-
Current tax charge	26	-
Deferred tax charge	-	-
Tax charge	26	-

	Year ended 31 March 2015	From incorporation to 31 March 2014
	£000	£000

#### Factors affecting the tax charge for the year

Profit before taxation	123	-
Profit before taxation multiplied by standard rate of UK corporation tax of 21% (2014: 23%)	26	-
Effect of:		
Effects of different rates of tax	-	-
Tax charge	26	-

There is a reduction in the headline rate of corporation tax to 20% from 1 April 2015.

In the Summer Budget Statement of 8 July 2015, the Chancellor of the Exchequer announced reductions in the main rate of UK corporation tax from 20% to 19%, effective from 1 April 2017, and to 18%, effective from 1 April 2020. These rates were substantively enacted on 26 October 2015 and will therefore need to be considered as at 31 March 2016.

# QDD EV N26 Limited

Annual report and financial statements for the year ended  
31 March 2015

## Notes to the financial statements (continued)

### 6. Ground rent assets - Finance lease receivables

	2015		2014	
	Gross investment	Present value	Gross investment	Present value
	£000	£000	£000	£000
Amounts due within one year	74	-	-	-
Amounts due between two and five years	296	-	-	-
Amounts due after five years	79,735	2,533	-	-
	80,105	2,533	-	-
Unearned finance lease income	(77,572)	-	-	-
	2,533	2,533	-	-

The Company has granted a 125 year sub lease, without breaks, to a fellow group undertaking, over its plot at the East Village. The rental is fixed, with a minimum escalation of 33% every 10 years.

### 7. Debtors

	2015	2014
	£000	£000
Amounts due from group undertakings	77	-
	77	-

Amounts due from group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 8. Creditors: amounts falling due within one year

	2015	2014
	£000	£000
Other payables	2	-
Amounts due to group undertakings	1	-
Corporation tax (group relief)	26	-
	29	-

Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

## **QDD EV N26 Limited**

*Annual report and financial statements for the year ended  
31 March 2015*

### **Notes to the financial statements (continued)**

#### **9. Share capital**

	<b>2015</b>	2014
	<b>£</b>	£
<i>Allotted, called up share capital</i>		
1 Ordinary Shares of £1 each	<b>1</b>	1
	<b>1</b>	1

Holders of Ordinary Shares are entitled to one vote per share.

#### **10. Related party disclosures**

The company's immediate and ultimate parent undertakings were QDD EV Holdco Limited and QDD Limited respectively.

QDD Limited is ultimately jointly controlled as follows:

- (i) By DV4 Limited, a company registered and incorporated in the British Virgin Islands; and
- (ii) By Qatari Diar Real Estate Investment Company QSC, a company registered and incorporated in the State of Qatar and being a direct subsidiary of Qatar Investment Authority, a governmental authority established by the Emir of the State of Qatar.

QDD Athletes Village UK Limited is the smallest group to consolidate these financial statements. QDD Limited, (a company registered in the British Virgin Islands) is the largest group to consolidate these financial statements.

Transactions between the company and its group entities are summarised in note 7 & 8.

#### **11. Commitments**

There were no commitments as at 31 March 2015 (2014: £nil).

#### **12. Contingent liabilities**

There were no contingent liabilities as at 31 March 2015 (2014: £nil).