


VEGA GR PARTNER 2 LIMITED

UNAUDITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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VEGA GR PARTNER 2 LIMITED

COMPANY INFORMATION

Directors	W K Procter C C McGill P Hallam M D Watson
Company secretary	D T Lau
Registered number	10141714
Registered office	Berkeley House 304 Regents Park Road London N3 2JX

VEGA GR PARTNER 2 LIMITED

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VEGA GR PARTNER 2 LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their report and the financial statements for the year ended 31 December 2022.

Principal activity

The principal activity of the Company was acting as designated member for three LLPs engaged in property investment businesses.

Results and dividends

The loss for the year, after taxation, amounted to £2,244 (2021 - loss £2,177).

The directors do not recommend the payment of a dividend for the current year and no dividend was paid in the prior year.

Business review and future developments

The directors are satisfied with the financial position of the Company at the year end.

The directors do not expect there to be significant future developments which could adversely impact the business.

Directors

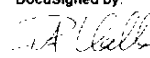
The directors who served during the year were:

W K Procter
C C McGill
P Hallam
M D Watson

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.

DocuSigned by:

97DB064D6A94426

P Hallam
Director

Date: 22 September 2023

VEGA GR PARTNER 2 LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

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 to 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.

VEGA GR PARTNER 2 LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Administrative expenses		(2,000)	<i>(2,000)</i>
Operating loss		(2,000)	<i>(2,000)</i>
Interest payable and similar expenses	4	(244)	<i>(177)</i>
Loss before tax	5	(2,244)	<i>(2,177)</i>
Loss for the financial year		(2,244)	<i>(2,177)</i>

There was no other comprehensive income for 2022 (2021: £NIL).

The notes on pages 6 to 13 form part of these financial statements.

VEGA GR PARTNER 2 LIMITED
REGISTERED NUMBER: 10141714

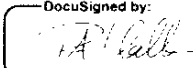
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Current assets			
Debtors: amounts falling due within one year	9	1	1
Creditors: amounts falling due after more than one year	10	(8,406)	(6,162)
Net liabilities		<u>(8,405)</u>	<u>(6,161)</u>
Capital and reserves			
Called up share capital	11	100	100
Profit and loss account		(8,505)	(6,261)
		<u>(8,405)</u>	<u>(6,161)</u>

For the year ending 31/12/2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

97DB064D6A94426

P Hallam
Director

Date: 22 September 2023

The notes on pages 6 to 13 form part of these financial statements.

VEGA GR PARTNER 2 LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2021	100	(4,084)	(3,984)
Loss and total comprehensive income for the year	-	(2,177)	(2,177)
At 31 December 2021	100	(6,261)	(6,161)
Loss and total comprehensive income for the year	-	(2,244)	(2,244)
At 31 December 2022	100	(8,505)	(8,405)

The notes on pages 6 to 13 form part of these financial statements.

VEGA GR PARTNER 2 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. General information

Vega GR Partner 2 Limited ("the Company") is a private company limited by shares, domiciled and incorporated in England. The address of the Company's registered office and principal place of business is Berkeley House, 304 Regents Park Road, London, N3 2JX. The principal activity of the Company during the year was that of property investment.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the requirements of Companies Act 2006 including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention..

2.2 Reduced disclosures

In accordance with FRS 102, the company has taken advantage of the exemptions from the following disclosure requirements;

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures.

The financial statements of the company are consolidated in the financial statements of Turing GR Limited. The consolidated financial statements of Turing GR Limited are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

VEGA GR PARTNER 2 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.3 Going concern

In preparing the accounts on the going concern basis the directors have given consideration to the company's result for the period and the company's net liabilities position.

The directors believe that taking into account the group support mentioned below the company is expected to have adequate financial resources to continue as a going concern for a period of 12 months from the date of signing the financial statements. This is on the grounds that the loan facility drawn down in 2019 by the company's parent company, Vega GR Limited, is a 61 year fully amortising facility and there are reserves in place to ensure that the necessary liquidity is retained in the structure so that funds are available to meet debt service liabilities as they fall due in the period of 12 months following the signing of the accounts. The company's immediate parent company, Vega GR Limited, has confirmed that it will provide financial support where needed in the period of 12 months following the signing of the accounts to enable the company to pay its debts as they fall due.

In addition to the matters described above, in arriving at their conclusion the Directors have also considered wider loan covenant compliance:

Cross default guarantee

Under the terms of Vega GR Limited's (a subsidiary of Turing GR Limited) long-term loan facility the Company and each of the members of the group of which the company is a member are, since August 2019, party to a cross-default arrangement between Vega GR Limited and Betelgeuse Limited. Betelgeuse Limited is a related group company, which has a similar long term loan facility with the same Lender.

The cross-default arrangements apply equally to both Vega GR Limited and Betelgeuse Limited, and their respective group companies, and are triggered by certain breaches of loan covenant in their respective facilities. Both Vega GR Limited and Betelgeuse Limited are expected to remain in compliance with all loan covenants for the reasonably foreseeable future. Further details are provided in the Contingent liabilities note.

2.4 Functional and presentational currencies

The financial statements are presented in sterling which is also the functional currency of the company.

2.5 Turnover

Turnover consists of the Company's profit entitlement from its interests in Limited Liability Partnerships, see note 8.

2.6 Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from profit before taxation because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

VEGA GR PARTNER 2 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and profit before taxation that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

For non-depreciable assets measured using the revaluation model and investment properties measured at fair value (except investment property with a limited useful life held by the company to consume substantially all of its economic benefits), deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Current and deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

2.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, to its financial instruments.

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument, and are offset only when the company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Financial liabilities

Creditors

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

VEGA GR PARTNER 2 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)
2.7 Financial instruments (continued)
Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

2.8 Critical accounting estimates and areas of judgement

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.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions which impact on the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. No estimates or judgements are considered significant in the context of these financial statements.

3. Turnover

Turnover consists of the Company's profit entitlement from its interests in Limited Liability Partnerships, see note 8. There were no profits available in the year (2021: £Nil) in the Limited Liability Partnerships for division amongst their members.

4. Interest payable and similar expenses

	2022	2021
	£	£
Interest payable on group loans	244	177

VEGA GR PARTNER 2 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. Loss before taxation

The loss before taxation is stated after charging:

	2022	2021
	£	£
Auditors' remuneration	2,000	2,000

6. Employees

There were no employees during the year other than the directors (2021: Nil). The directors are remunerated by the related party Fairhold Services Limited.

7. Taxation

	2022	2021
	£	£
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Taxation on loss	-	-

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - *higher than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022	2021
	£	£
Loss before tax	(2,244)	(2,177)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(426)	(414)
Effects of:		
Tax losses utilised	(89)	-
Group relief surrendered without charge	515	414
Total tax charge for the year	-	-

VEGA GR PARTNER 2 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Taxation (continued)**Factors that may affect future tax charges**

In the prior period, the Finance Act 2021 was enacted and included legislation to increase the main rate of tax to 25% from 1 April 2023.

8. Subsidiary undertakings

Investments in subsidiary undertakings were £nil (2021 - £nil).

The company is a designated member of the following subsidiary undertakings:

- Vega Ground Rents No 3 LLP
- Vega Ground Rents No 4 LLP
- Vega Ground Rents No 6 LLP

The registered office for each of the above subsidiary undertakings is Berkeley House, 304 Regents Park Road, London, N3 2JX.

The profit entitlement percentage for each of the above subsidiary undertakings is 0.1%.

The nature of each of the above subsidiary undertakings' business is investment property.

All of the above subsidiary undertakings are incorporated in the United Kingdom.

9. Debtors

	2022	2021
	£	£
Other debtors	1	1

10. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Amounts owed to parent undertaking	8,406	6,162

The loan from the parent company is due for repayment in 2085. Interest is charged at the Barclays Bank Base Rate +2.5% (2021: 6-month Libor +2.48%).

VEGA GR PARTNER 2 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. Share capital and reserves

Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
100 (2021 - 100) Ordinary shares of £1.00 each	100	100

Ordinary share rights

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company. In the event of a winding up the shareholders receive dividends and distribution pro rata to the number of shares held.

Reserves

Reserves of the company represent the following:

Profit and loss account

Cumulative profit and loss net of distributions to owners.

12. Contingent liabilities

The directors are currently assessing the potential impact of the Building Safety Act 2022, which received Royal Assent on 28 April 2022. Given the nature of the legislation (see note 2.3) and the lack of clarity at this time as to the extent that specific buildings may require funding it is not currently clear what the likely probability or quantum of any potential liability to fund the remediation of building defects would be. Therefore, no provision has been included in these financial statements.

13. Guarantees

The company has given an unlimited guarantee in respect of some of the indebtedness of its holding company Vega GR Limited. The guarantee is supported by a debenture and a charge over the group's property holdings including the company's investment properties. At 31 December 2022 the total amount outstanding subject to that guarantee was £278m (2021: £298.4m).

The company is included in a group registration for VAT purposes and is therefore jointly and severally liable for all other participating group undertakings' unpaid debts in this connection.

VEGA GR PARTNER 2 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. Immediate parent company, ultimate parent company and ultimate controlling party

The Company's immediate parent company is Vega GR Limited. The smallest group for which group accounts containing the Company are prepared is Vega GR Limited. Vega GR Limited is domiciled and incorporated in the UK. The ultimate UK parent Company is Turing GR Limited, which is the largest group for which group accounts containing the Company are prepared. Copies of the financial statements are available from Companies House, Crown Way, Cardiff CF14 3UZ.

The directors regard the ultimate holding company to be Euro Investments Overseas Incorporated, a company incorporated in the British Virgin Islands.

The ultimate controlling party is the Tchenguiz Family Trust.

15. Related party transactions

The company has taken advantage of the exemptions provided by Section 33 of FRS 102 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.