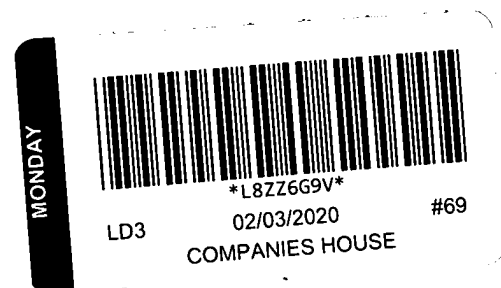


Company Registration No. 10398671 (England and Wales)

QATAR AIRWAYS INVESTMENTS (UK) LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019



QATAR AIRWAYS INVESTMENTS (UK) LTD
COMPANY INFORMATION

Directors	D H M Ho M Lawrence A Radomski	(Appointed 1 August 2018) (Appointed 31 December 2018)
Secretary	Amicorp (UK) Secretaries Limited	
Company number	10398671	
Registered office	10-11 Conduit Street London United Kingdom W1S 2QR	
Bankers	HSBC Bank London United Kingdom E14 5HQ	

QATAR AIRWAYS INVESTMENTS (UK) LTD

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QATAR AIRWAYS INVESTMENTS (UK) LTD
STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The directors present the strategic report for the year ended 31 March 2019.

Fair review of the business

The company was incorporated on 28 September 2016.

The principal activity of Qatar Airways Investments (UK) Limited (the "Company") during the year under review was to make and manage strategic investments in companies based in the US and South America. The Company may acquire stock, shares and other participating securities in such investments. In addition, it may enter into forms of borrowing, other than by way of public offering, to fund such activities. The directors do not anticipate any change to the Company's principal activities in the foreseeable future.

The financial statements of the Company are prepared in accordance with FRS 101 'Reduced Disclosure Framework', and the requirements of the Companies Act 2006 as applicable to companies subject to small companies regime.

Results and dividends

The total profit for the year after tax for the year amounted to \$1,881,896 (2018: Profit of \$1,220,830)

	Year ended 31 March 2019
	\$
Profit before tax	3,517,857
Profit after tax	1,881,896
Total comprehensive loss for the year	(319,194,049)
Shareholder's funds	620,600,680

The directors do not recommend a payment of a dividend for the year ended 31 March 2019 (2018: \$nil).

Principal risks and uncertainties

The Company is exposed to economic and competitive risks common in line with investment activities. Such risks include:

- exposure to price, liquidity and cash flow risk,
- exposure to movements in the foreign currency markets,
- the commercial activities undertaken by the entities in which it invests.

Currently, however, there is no indication that the Company is significantly adversely affected by any of the above factors. Management continues to look at risks and uncertainties during its monthly forecast and strategic meetings.

Also, the principal risks and uncertainties facing the Company relate to the carrying value of its investments and in particular any actual or projected adverse financial performance and/or the impact of any economic, political and social risks that may affect the ability of investee companies to remit dividends and repay debt in the future. These risks are monitored by management in conjunction with the directors as part of the wider group risk management activities.

On behalf of the board



M Lawrence

Director
28/02/2020

QATAR AIRWAYS INVESTMENTS (UK) LTD
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report and financial statements for the year ended 31 March 2019.

Principal activities

The principal activity of Qatar Airways Investments (UK) Limited ("the Company") during the year under review was to make and manage strategic investments in companies based in the US and South America. The Company may acquire stock, shares and other participating securities in such investments. In addition, it may enter into any form of borrowing, other than by way of public offering, to fund such activities. The directors do not anticipate any change to the Company's principal activity in the foreseeable future.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

T J Weymouth	(Resigned 31 December 2018)
D H M Ho	
M Kurmanbayev	(Resigned 1 August 2018)
M Lawrence	(Appointed 1 August 2018)
A Radomski	(Appointed 31 December 2018)

No Director has any interest in the shares of the Company or other interests that require disclosure under the Companies Act 2006.

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Financial instruments

The Company finances its activities with a combination of reinvestment of profits, preference shares, cash and short term deposit and, where necessary, loans provided by fellow group undertakings. Overdrafts are used to satisfy short term cash flow requirements. Other financial assets and liabilities, such as trade debtors and trade creditors, arise directly from the Company's operating activities.

Financial instruments give rise to foreign currency, interest rate, credit, price and liquidity risk information on how these risks arise is set out above, in the as are the objectives, policies and processes for their management and the methods used to measure each risk. Any risks associated with financial instruments are managed and reviewed at group level.

Future developments

The Company is expected to continue its principal activity for the foreseeable future.

Auditor

The auditors, Ernst & Young LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Events since the balance sheet date

Refer to note 15 in the notes to the financial statements for events since the balance sheet date.

QATAR AIRWAYS INVESTMENTS (UK) LTD
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

Going concern

The Company has net current assets of \$651,249 and total net assets of \$620,600,680. The directors have received written confirmation of financial support, from the ultimate parent undertaking, for a period of at least 12 months from the date of approval of the financial statements. After making enquiries, therefore the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Statement of directors' responsibilities

The directors are responsible for preparing the strategic report, 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 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

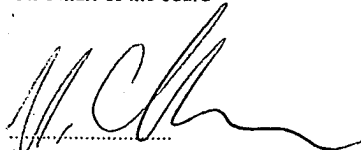
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



M Lawrence

Director

Date: 29/02/2020



A Radomski

Director

Date: 28/02/20

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF QATAR AIRWAYS INVESTMENTS (UK) LTD

Qualified opinion

We have audited the financial statements of Qatar Airways Investments (UK) Limited ("the Company") for the year ended 31 March 2019 which comprise of the Profit and Loss Account, the Balance Sheet, the Statement of Comprehensive Income, the Statement of Changes in Equity and the related notes 1 to 15, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

In our opinion, except for the effects of the matter described in the basis for qualified opinion section, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion

The financial statements for the year ended 31 March 2019 include investments in unquoted entities held at combined fair value of \$21,400,000; accounted for as financial assets at fair value through other comprehensive income in accordance with IFRS 9. Management has been unable to provide sufficient and appropriate audit evidence in respect of valuation of these investments and the related reduction in fair value of \$28,600,000 recognised in the SOCIE. In our opinion, we are not therefore able to conclude on the fair value of these investments at the balance sheet date. In addition, were any adjustment to the investment balance to be required, the strategic report and director report would also need to be amended.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Conclusions relating to going concern

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

- 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 the other information, we are required to report that fact.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF QATAR AIRWAYS INVESTMENTS (UK) LTD

Independent auditor's report (continued)

Other information (continued)

As described in the basis for qualified opinion section of our report, we were unable to review valuation of investment in unquoted entities held as at 31 March 2019. We have concluded that where the other information refers to the investment balance or related balances such as impairment recorded through other comprehensive income, it may be materially misstated for the same reason.

Opinions on other matters prescribed by the Companies Act 2006

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Except for the matter described in the basis for qualified opinion section of our report, in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

Arising solely from the limitation on the scope of our work relating to valuation of investment balances, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities 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, and for such internal control as the directors 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.

Auditor's 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 auditor's 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 Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF QATAR AIRWAYS INVESTMENTS (UK) LTD

Independent auditor's report (continued)

Use of our report

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.



*Rebecca Turner (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
28 February 2020*

QATAR AIRWAYS INVESTMENTS (UK) LTD
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

		Year ended 31 March 2019	Year ended 31 March 2018
	Notes	\$	\$
Administrative expenses	5	(145,057)	(133,912)
Interest receivable and similar income	6	4,674,211	2,083,347
(Loss) gain on exchange differences		(10,780)	567
Interest payable and similar expenses		(1,000,517)	-
Profit before taxation		3,517,857	1,950,002
Tax on profit	7	(1,635,961)	(729,172)
Profit for the financial year		1,881,896	1,220,830

All amounts relate to continuing activities.

Total comprehensive income for the financial year ended 31 March 2019 is a loss of \$319,194,049 (2018: profit of \$166,698,699).


QATAR AIRWAYS INVESTMENTS (UK) LTD
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

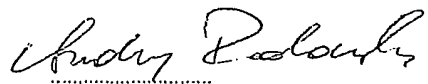
	Notes	Year ended 31 March 2019 \$	Year ended 31 March 2018 \$
Profit for the year		1,881,896	1,220,830
Other comprehensive (loss) income		<u>(321,075,945)</u>	<u>165,477,869</u>
Total comprehensive (loss) income for the year		<u>(319,194,049)</u>	<u>166,698,699</u>

QATAR AIRWAYS INVESTMENTS (UK) LTD
BALANCE SHEET
AS AT 31 MARCH 2019

	Notes	2019 \$	2018 \$
Fixed assets			
Investments	8	662,977,652	952,316,090
Current assets			
Debtors	9	30,967	25,943
Cash at bank and in hand		761,460	3,557,613
		792,427	3,583,556
Creditors: amounts falling due within one year	10	(141,178)	(16,104,917)
Net current assets (liabilities)		651,249	(12,521,361)
Total assets less current liabilities		663,628,901	939,794,729
Creditors: amounts falling due after more than one year	11	(43,028,221)	-
Net assets		620,600,680	939,794,729
Capital and reserves			
Share capital	12	2	2
Share premium account		613,264,239	613,264,239
Fair value reserve		6,542,268	327,913,866
Retained earnings (losses)		794,171	(1,383,378)
Total equity		620,600,680	939,794,729

The financial statements were approved by the board of directors and authorized for issue on 28 February 2020 and are signed on its behalf by:


M Lawrence
Director


A Radomski
Director

Company Registration No. 10398671

QATAR AIRWAYS INVESTMENTS (UK) LTD
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019

	Share capital	Share premium account	Fair value reserve	Retained earnings	Total
	\$	\$	\$	\$	\$
Balance at 1 April 2017	2	613,264,239	162,435,997	(2,604,208)	773,096,030
Year ended 31 March 2018:					
Profit for the year	-	-	-	1,220,830	1,220,830
Other comprehensive income for the year	-	-	165,477,869	-	165,477,869
Balance at 31 March 2018	2	613,264,239	327,913,866	(1,383,378)	939,794,729
Year ended 31 March 2019:					
Profit for the year	-	-	-	1,881,896	1,881,896
Other comprehensive loss for the year	-	-	(321,075,945)	-	(321,075,945)
Disposal of investment securities	-	-	(295,653)	295,653	-
Balance at 31 March 2019	2	613,264,239	6,542,268	794,171	620,600,680

QATAR AIRWAYS INVESTMENTS (UK) LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Qatar Airways Investments (UK) Limited ("the Company") is a private company limited by shares incorporated in England and Wales. The registered office is 10-11 Conduit Street, London, United Kingdom, W1S 2QR. The Company is 100% owned by its Parent Company 'Qatar Airways Group Q.C.S.C' which is located in Qatar Airways Tower, Airport Road, P.O. Box 22550, Doha, Qatar, Qatar.

The financial statements of Qatar Airways Investments (UK) Limited for the year ended 31 March 2019 were authorized for issue on 28 February 2020 and the balance sheet was signed on the Board's behalf by A Rądomski and M C Lawrence.

The results of Qatar Airways Investments (UK) Limited are included in the consolidated financial statements of Qatar Airways Group Q.C.S.C, which are available from Qatar Airways Tower, Airport Road, P.O. Box 22550, Doha, Qatar.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 101 "Reduced Disclosure Framework" ("FRS 101") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies' regime. The disclosure requirements of section 1A of FRS 101 have been applied other than where additional disclosure is required to show a true and fair view. These financial statements present information about the Company as an individual undertaking.

The financial statements are prepared in United States dollars, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest \$.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below:

1.2 Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2019.

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

- i. The requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share Based Payments
- ii. The requirements of IFRS 7 Financial Instruments: Disclosures;
- iii. The requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- iv. 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;
 - Paragraph 118(e) of IAS 38 Intangible Assets;
- v. The requirements of paragraphs 10(d), 10(f), 39(c), and 134-136 of IAS 1 Presentation of Financial Statements
- vi. The requirements of IAS 7 Statement of Cash Flows;
- vii. The requirements of paragraph 30 and 31 in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- viii. The requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures;
- ix. The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- x. The requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets; and
- xi. The requirements of paragraph 33(c) of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations;

QATAR AIRWAYS INVESTMENTS (UK) LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1.3 Going concern

The Company is supported by its immediate parent company and the directors are actively seeking new opportunities which will allow the Company to continue in operational existence for the foreseeable future. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

1.4 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.5 Financial instruments

(a) Financial assets

Recognition and measurement

Financial assets within the scope of IFRS 9 are classified as financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, or financial assets at amortised cost. The classification depends on the purpose for which the financial assets were acquired. The Company recognises financial assets in the Balance Sheet when, and only when, it becomes party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

The Company's financial assets include cash and cash equivalents and investments in equity instruments.

Cash and cash equivalents are recognised initially at fair value plus directly attributable transaction costs. Subsequently these are measured at amortised cost using the effective interest (EIR) method.

For investments in equity instruments, upon initial recognition, the Company elects to classify its equity investments as equity instruments at Fair value through other comprehensive income (FVOCI) when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. Such classification is determined on an instrument-by-instrument basis. Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in profit or loss as other income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in other comprehensive income. Equity instruments at FVOCI are not subject to an impairment assessment.

Derecognition

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the asset expire;
- it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the asset are transferred; or
- the Company neither retains nor transfers substantially all of the risks and rewards of ownership and it does not retain control of the asset.

(b) Financial liabilities

Recognition and measurement

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss or financial liabilities at amortised cost. The Company recognises financial liabilities in the Balance Sheet when, and only when, it becomes party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

QATAR AIRWAYS INVESTMENTS (UK) LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1.5 Financial instruments (continued)

(b) Financial liabilities (continued)

Recognition and measurement (continued)

The Company's financial liabilities include amounts owed by group undertakings. All financial liabilities are recognised initially at fair value, plus directly attributable transaction costs, then subsequently measured at amortised cost using the effective interest method.

Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

(c) Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are only offset and the net amount reported in the Balance Sheet if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

1.7 Dividend income

Income from dividends is recognised when the Company's right to receive payment is established.

1.8 Taxation

Current taxes and liabilities are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax is recognised in respect of all timing differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes that have originated but not reversed at the balance sheet date.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.9 Foreign exchange

Transactions in currencies other than United States dollars are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the year.

QATAR AIRWAYS INVESTMENTS (UK) LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1.10 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

2 Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of the estimation means the actual outcomes could differ from those estimates.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Fair value of unquoted equity instruments

Judgement is required in assessing the level of control or influence over another entity in which the Company holds an interest. The Company has exercised judgement in assessing whether its investments in equity instruments measured at fair value through other comprehensive income in two unquoted companies should be accounted for using the equity method of accounting in accordance with the requirements of IAS 28. The Company has concluded that it does not have significant influence as defined in section 3 of IAS 28 and continues to account for these investments as equity instruments measured at fair value through other comprehensive income.

QATAR AIRWAYS INVESTMENTS (UK) LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2 Judgements and key sources of estimation uncertainty (continued)

Fair value of unquoted equity instruments (continued)

The Company has unquoted equity investments in the form of investment securities. The Company must determine on an annual basis the fair value of its investments, which is subject to uncertainty due to the lack of observable market prices for these instruments. The fair value of the unquoted equity instruments at 31 March 2019 was \$21,398,326 (2018: \$16,027,703).

3 Auditor's remuneration

	Year ended 31 March 2019	Year ended 31 March 2018
Fees payable to the company's auditor and associates:	\$	\$
For audit services		
Audit of the financial statements of the company	23,232	25,663

4 Employees

The company has no employees and hence there were no staff costs for the year ended 31 March 2019 (2018: \$nil). The Directors did not receive any remuneration during the year for their services as Directors of the Company (2018: \$nil).

During the year, the Company paid a service organisation for making available the services of any person as a director of the entity \$37,728 (2018: \$43,189).

5 Administrative Expenses

	Year ended 31 March 2019	Year ended 31 March 2018
Travelling expenses	\$	\$
Legal and professional fees	-	15,649
Audit fees	121,606	92,359
Bank charges	23,232	25,663
	219	241
	145,057	133,912

6 Interest receivable and similar income

	Year ended 31 March 2019	Year ended 31 March 2018
	\$	\$
Dividend income	4,674,211	2,083,347

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7 Taxation

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2019	2018
	\$	\$
Current tax:		
UK Corporation Tax	-	-
Withholding tax suffered on overseas earnings	1,635,961	729,172
	<u>1,635,961</u>	<u>729,172</u>
Tax on profit on ordinary activities	<u>1,635,961</u>	<u>729,172</u>

Factors affecting the total tax charge:

	2019	2018
	\$	\$
(Loss) Profit before tax	(319,194,049)	166,698,699
(Loss) Profit multiplied by the standard rate of corporation tax in the UK 19% (2018: 19%)	(60,646,869)	31,672,753
<i>Effects of:</i>		
Un-realized loss (gain) on investments in equity instruments	60,859,180	(31,440,795)
Amounts not recognized	(212,311)	(231,958)
Withholding tax suffered on overseas earnings	<u>1,635,961</u>	<u>729,172</u>
Total tax charge	<u>1,635,961</u>	<u>729,172</u>

Deferred tax assets have not been recognised in respect of losses on the basis that it is not sufficiently certain that suitable taxable profits will arise against which to offset them

8 Investments

The Company has an investment in a company listed on the New York Stock Exchange and has accounted for this investment as FVOCI model under IFRS 9, the fair values of this investment is determined by reference to published price quotations in an active market. During the year the Company disposed of 0.32% of its shareholding held in this entity.

The Company also holds minority shareholding in two private companies registered in United States.

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8 Investments (continued)

	Investment Securities
	\$
Cost or valuation	
At 1 April 2018	952,316,090
Additions	34,000,000
Valuation changes	(320,311,471)
Disposals	(3,026,967)
	<u>662,977,652</u>
At 31 March 2019	662,977,652
Carrying amount	
At 31 March 2019	<u>662,977,652</u>
At 31 March 2018	<u>952,316,090</u>

At 31 March 2019, the Company had interests in the following significant shareholdings:

Significant shareholdings	Types of shares held	Proportion held	Country of incorporation	Nature of business
Latam Airlines Group S.A.	Ordinary	10%	Chile	Airline

Apart from above significant shareholding, the Company owned shares in two un-quoted entities registered in United States of America.

The following table provides the fair value measurement hierarchy of the Company's investment:

	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant un-observable inputs (Level 3)
	\$	\$	\$	\$
Assets measured at fair value:				
31 March 2019				
Financial assets at FVOIC	662,977,652	641,579,326	-	21,398,326
Assets measured at fair value:				
31 March 2018				
Financial assets at FVOIC	952,316,090	936,288,387	-	16,027,703

9 Debtors

	2019	2018
	\$	\$
Amounts falling due within one year:		
Prepayments	30,967	25,943

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10 Creditors: amounts falling due within one year

	2019	2018
	\$	\$
Amounts due to group undertakings	-	16,027,703
Amounts owed to other creditors	<u>141,178</u>	<u>77,214</u>
	<u>141,178</u>	<u>16,104,917</u>

11 Creditors: amounts falling due after more than one year

	2019	2018
	\$	\$
Amounts due to group undertakings	43,028,221	-

- All amounts owed to group undertakings are unsecured, including an interest bearing loan facility at the rate of 2.5% p.a. with a repayment date of 31 March 2028. Under the terms of the loan agreement, any dividend income received from Latam Airlines is used to pay interest and pay down the principal balance but only to the extent it is received. Due to the uncertainty relating to whether dividend income will be received, the debt and accrued interest is classified as at the balance sheet date as due in greater than one year.

12 Called up share capital

	2019	2018
	\$	\$
Ordinary share capital		
Issued and fully paid		
2 Ordinary £1 shares of \$1 each (£1 = \$1.24)	2	2

13 Related party transactions

The Company has taken advantage of the exemption in FRS 101 from the requirement to disclose transactions with group undertakings on the grounds that it is a wholly owned subsidiary of Qatar Airways Group Q.C.S.C., whose consolidated financial statements are publicly available.

During the year, the Company purchased \$59,820 (2018: \$46,459) of professional services from a related party with common directors. At 31 March 2019, the amount outstanding in respect of those services is \$41,939 (2018: \$56,913).

Purchases between related parties are made on an arm's length basis. Outstanding balances with entities other than subsidiaries are unsecured, interest free and cash settlement is expected within 30 days of invoice.

14 Ultimate controlling party

The directors regard Qatar Airways Group Q.C.S.C, a company incorporated in Doha, Qatar as the immediate parent undertaking and controlling party, and the Government of Qatar as the ultimate parent undertaking and controlling party.

The consolidated financial statements of Qatar Airways Group Q.C.S.C are publicly available at Qatar Airways Tower, Airport Road, P.O. Box 22550, Doha, Qatar.

15 Events since the balance sheet date

At 31 March 2019, the Company held investments in the shares of two private companies registered in United States. Subsequent to the year-end, these two companies were merged and the Company made an investment in the merged company.