

Company Registration No. 07503926

QDD ATHLETES VILLAGE UK LIMITED
(formerly Newincco 1084 Limited)
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM 24 JANUARY 2011
TO 31 MARCH 2012

FRIDAY



A1ZU560W

A36

11/01/2013

#201

COMPANIES HOUSE

QDD ATHLETES VILLAGE UK LIMITED (Formerly Newincco 1084 Limited)
FINANCIAL STATEMENTS FOR THE PERIOD FROM
24 JANUARY 2011 to 31 MARCH 2012

Contents	Page
Company information	1
Directors' report	2-3
Statement of Directors' responsibilities	4
Independent auditor's report	5 - 6
Profit and loss account	7
Statement of total recognised gains and losses	7
Balance sheet	8
Notes to the financial statements	9 – 13

QDD ATHLETES VILLAGE UK LIMITED (Formerly Newincco 1084 Limited)
COMPANY INFORMATION

Directors	DV4 Administration Limited Mr Mohammed Ali H H Al-Adba Mr Yousef Ahmad H Al-Hammadi
Company registration no	07503926 England and Wales
Registered office	6th Floor, Lansdowne House Berkeley Square London United Kingdom W1J 6ER
Auditors	Ernst & Young LLP 1 More London Place London SE1 2AF

QDD ATHLETES VILLAGE UK LIMITED (Formerly Newincco 1084 Limited)

DIRECTORS' REPORT

The directors present their report and financial statements for the period from incorporation on 24 January 2011 to 31 March 2012

Principal activities

The principal activity of the Company is investment in a group of companies which will own and manage East Village (the legacy name for the Olympic Athletes Village) at Stratford, London after the 2012 Olympic Games

Results and dividends

The loss for the period amounted to £7,000,404

The directors do not recommend payment of an ordinary dividend

Significant transactions

On 9 August 2011, the company exchanged contracts to acquire SVDP Limited, the company currently owning and managing East Village (the legacy name for the Olympic Athletes Village), with completion anticipated in March 2014. The deposit paid on exchange amounted to £55.75 million, plus associated costs. The balance payable on completion will be £501.75 million.

Principal risks and uncertainties and key performance indicators

In the opinion of the directors, the major risks faced by the company relate to fluctuations in the residential rental market and the property market generally. The directors believe the excellent location and infrastructure in place at Stratford mitigate some of these concerns.

The Company's key performance indicators are

	Period ended 31 March 2012
Loss for the period	(7,000,404)
Net liabilities	(6,990,400)

Director

The directors who held office during the period set out given below

	Appointed	Resigned
Christopher Alan Mackie	24-Jan-11	10-Mar-11
Olswang Directors 1 Limited	24-Jan-11	10-Mar-11
Olswang Directors 2 Limited	24-Jan-11	10-Mar-11
Colin Barry Wagman	10-Mar-11	8-Aug-11
DV4 Administration Limited	8-Aug-11	-
Mohammed Ali H. H. Al-Adba	8-Aug-11	-
Yousef Ahmad H. Al-Hammadi	8-Aug-11	-

QDD ATHLETES VILLAGE UK LIMITED (Formerly Newincco 1084 Limited)
DIRECTORS' REPORT (continued)

Going concern

The financial statements of the Company have been prepared on a going concern basis even though the Company has net liabilities. The joint venture parties have indicated their willingness to support the company to meet its liabilities as they fall due. They have further indicated that they will not seek repayment of their respective loans until the Company is in a position to make such a repayment without jeopardising its continued operational existence.

Disclosure of information to auditors

The directors who are members of the board at the time of approving the financial statements are listed on page 1. Having made enquiries of the Company's auditors, each of the directors confirms

- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the Company's auditors are unaware, and
- each director has taken all steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

A resolution proposing that Ernst & Young LLP be reappointed as auditors of the Company will be put to the Annual General Meeting.

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

On behalf of the board


DVA Administration Limited
Director
22 October 2012

QDD ATHLETES VILLAGE UK LIMITED (Formerly Newincco 1084 Limited)
STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period which 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. The directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom accounting standards)

In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. The directors 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

QDD ATHLETES VILLAGE UK LIMITED (Formerly Newincco 1084 Limited)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QDD ATHLETES
VILLAGE UK LIMITED

We have audited the financial statements of QDD Athletes Village UK Limited for the period from 24 January 2011 to 31 March 2012 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 16. 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).

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 auditors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4) 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. 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 2012 and of its loss for the period 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

QDD ATHLETES VILLAGE UK LIMITED (Formerly Newincco 1084 Limited)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QDD ATHLETES
VILLAGE UK LIMITED (contd.)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements

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, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit
- The Directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies' regime

Ernst & Young LLP

Matthew Williams (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor

28 December 2012

QDD ATHLETES VILLAGE UK LIMITED (Formerly Newincco 1084 Limited)
PROFIT AND LOSS ACCOUNT
For the period from 24 January 2011 to 31 March 2012

	Notes	Period ended 31 March 2012 £
Turnover		169,174
Cost of sales		(980,073)
Gross loss		(810,899)
Administrative expenses		(2,607,337)
Operating loss	2	(3,418,236)
Interest payable and similar charges	3	(3,582,168)
Loss on ordinary activities before taxation		(7,000,404)
Taxation	4	-
Loss for the period	10	(7,000,404)

The profit and loss account has been prepared on the basis that all operations are continuing

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains and losses other than those passing through the profit and loss account

QDD ATHLETES VILLAGE UK LIMITED (Formerly Newincco 1084 Limited)
BALANCE SHEET
At 31 March 2012

	Notes	31 March 2012 £
Fixed assets		
Investment	5	57,029,254
Tangible fixed assets	6	260,744
		<u>57,289,998</u>
Current assets		
Debtors - amounts falling due within one year	7	1,598,943
		<u>(65,879,341)</u>
Net current liabilities		<u>(64,280,398)</u>
Net liabilities		<u>(6,990,400)</u>
Capital and reserves		
Called up share capital	9	10,004
Profit and loss account	10	(7,000,404)
Shareholders' deficit	11	<u>(6,990,400)</u>

These accounts have been prepared with the special provisions applicable to companies subject to the small companies regime

The financial statements were approved by the Board on 22 October 2012



DV4 Administration Limited
Director
 Company Registration No 07503926

QDD ATHLETES VILLAGE UK LIMITED (Formerly Newincco 1084 Limited)

Notes to the financial statements

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards

1.2 Accounting convention

The financial statements have been prepared under the historical cost convention

1.3 Going concern

The financial statements of the Company have been prepared on a going concern basis even though the Company has net liabilities. The joint venture parties have indicated their willingness to support the company to meet its liabilities as they fall due. They have further indicated that they will not seek repayment of their respective loans until the Company is in a position to make such a repayment without jeopardising its continued operational existence.

1.4 Turnover

Turnover represents amounts received or receivable, net of value added tax, in relation to recovery of certain costs for promotion and marketing of East Village at Stratford, London.

1.5 Investments

Fixed asset investments are initially stated at cost.

The carrying values of investments are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

1.6 Tangible fixed assets

Fixtures, fittings and equipment - 50% per annum on a straight line basis.

1.7 Taxation

The charge for taxation is based on the profit or loss for the period and takes into account taxation deferred due to timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less, or to receive more, tax, with the following exceptions:

- provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,
- deferred tax assets are recognised only to the extent that the director considers that it is more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted
- deferred tax is measured on an undiscounted basis at the rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

QDD ATHLETES VILLAGE UK LIMITED (Formerly Newincco 1084 Limited)
Notes to the financial statements (continued)

1 Accounting policies (contd)

1.8 Deep Discount Bonds

The deep discount bonds are initially recorded at net proceeds. The discount between the redeemable amount and the net proceeds is credited over the term of the bonds and charged to the profit and loss account in the period in which it unwinds.

1.9 Cash Flow Statement

The company has taken advantage of the exemption offered in FRS 1 not to prepare a cash flow statement on the basis that the company is a small company.

2 Operating loss

This includes auditor's remuneration of £20,000

3 Interest payable and similar charges

**Period ended
31 March 2012**

£

Unwinding of discount on deep discount bonds

3,582,168

4 Taxation

**Period ended
31 March 2012**

£

Current tax charge

-

Factors affecting the tax charge for the year

Loss on ordinary activities before taxation

(7,000,404)

Loss on ordinary activities before taxation multiplied by the standard rate of UK corporation tax of 26%

(1,820,105)

Effects of

Unrelieved losses arising in the period

882,242

Other timing differences

931,363

Non deductible expenses

6,500

Current tax charge

-

The company has unrecognised deferred tax assets of £1,674,097 in respect of tax losses, calculated using the standard rate of UK corporation tax of 24%. The assets are not recognised since the directors do not consider that it is certain that suitable taxable profits will arise in the foreseeable future against which the losses could be offset.

In the Budget of 21 March 2012 the Chancellor of the Exchequer announced tax changes which, if enacted in the proposed manner could have a significant effect on the company's future tax position. The provision to reduce the main rate of corporation tax from 26% to 24% from 1 April 2012 was enacted under the Provisional Collection of Taxes Act 1968 (PCTA) on 26 March 2012. The Budget also proposed a decrease in the rate of UK corporation tax by 1% per annum to 22% by 1 April 2014.

The effect of the proposed further reduction in the tax rate, from 24% to 22% would be to reduce the unrecognised deferred tax assets by £139,508. The effect on the company of these proposed changes to the UK tax system will be reflected in the company's financial statements in future years, as appropriate, as proposals are substantively enacted.

QDD ATHLETES VILLAGE UK LIMITED (Formerly Newincco 1084 Limited)
Notes to the financial statements (continued)

5	Fixed asset investment	2012
		£
	Investment during the period	57,029,254
	At 31 March 2012	<u>57,029,254</u>

On 9 August 2011 the company exchanged contracts for the purchase of the entire share capital of SVDP Limited, with completion anticipated in March 2014. The investment represents the initial deposit paid of £55.8 million plus associated costs.

6	Tangible fixed assets	Fixtures, fittings & equipment
	Cost	
	Additions in the period	260,744
	At 31 March 2012	<u>260,744</u>
	Depreciation	
	Charge for the period	-
	At 31 March 2012	<u>-</u>
	Net Book Values	
	At 31 March 2012	<u>260,744</u>

The assets were brought into use close to the balance sheet date and consequently the company has not charged depreciation in the period.

7	Debtors	31 March 2012
		£
	Amounts falling due within one year	
	Loan due from immediate parent undertaking	352,405
	Trade debtors	234,360
	Other taxes	1,008,178
	Prepayments	4,000
		<u>1,598,943</u>

The amount due from the immediate parent undertaking is interest free and repayable on demand.

QDD ATHLETES VILLAGE UK LIMITED (Formerly Newincco 1084 Limited)
Notes to the financial statements (continued)

8 Creditors: amounts falling due within one year	31 March 2012 £
Trade creditors	1,462,488
Accruals	113,685
Deep discount bonds	64,303,168
	<u>65,879,341</u>

There were two deep discount bonds (DDB) issued during the period, both from QDD Limited, the immediate parent undertaking

The first DDB was issued on 9 August 2011 for a subscription price of £58.0 million and was redeemed on 31 August 2012 at a value of £63.8 million. The finance charge accrued to 31 March 2012 was £3.5 million.

The second DDB was issued on 9 January 2012 for a subscription price of £2.7 million and was redeemed on 31 August 2012 at a value of £2.9 million. The finance charge accrued to 31 March 2012 was £0.1 million.

A DDB was issued on 31 August 2012 for a subscription price of £66.7 million redeemable on 31 August 2013 at a value of £72.8 million.

9 Share capital	31 March 2012 £
Allotted, called up share capital	
10,001 ordinary shares of £1 each	10,001
200 B1 shares of £0.01 each	2
100 B2 shares of £0.01 each	1
	<u>10,004</u>

During the period 10,001 ordinary shares of £1 each, 200 B1 shares of £0.01 each and 100 B2 shares of £0.01 each were all issued for cash consideration.

The B1 and B2 shares constitute separate classes of shares, carry no voting rights and have restrictions on their entitlement to distributions compared to the ordinary shareholders.

10 Statement of movements on reserves	Profit and loss account £
Loss for the period	(7,000,404)
As at 31 March 2012	<u>(7,000,404)</u>

QDD ATHLETES VILLAGE UK LIMITED (Formerly Newincco 1084 Limited)
Notes to the financial statements (continued)

11 Reconciliation of movements in shareholders' deficit	31 March 2012 £
Issue of shares	10,004
Loss for the period	(7,000,404)
Closing shareholders' deficit	<u>(6,990,400)</u>

12 Employees

There were no employees during the period

The directors did not receive emoluments or fees during the period

13 Controlling party and parent undertaking

The company's immediate parent undertaking is QDD Limited, a company registered and incorporated in the British Virgin Islands

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 Qatar Diar Real Estate Investment Company, 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

14 Related party transactions

At 31 March 2012 the company has an amount due from its immediate parent undertaking, QDD Ltd, of £0.4 million

There were two deep discount bonds (DDB) issued during the period, both from QDD Limited, the immediate parent undertaking

The first DDB was issued on 9 August 2011 for a subscription price of £58.0 million and was redeemed on 31 August 2012 at a value of £63.8 million. The finance charge accrued to 31 March 2012 was £3.5 million

The second DDB was issued on 9 January 2012 for a subscription price of £2.7 million and was redeemed on 31 August 2012 at a value of £2.9 million. The finance charge accrued to 31 March 2012 was £0.1 million

A DDB was issued on 31 August 2012 for a subscription price of £66.7 million redeemable on 31 August 2013 at a value of £72.8 million

15 Capital commitments

The company has exchanged contracts for the purchase of the entire share capital of SVDP Limited, with completion anticipated in March 2014. The amount currently expected to be payable on completion is £501.75 million

16 Post balance sheet event

A DDB was issued on 31 August 2012 for a subscription price of £66.7 million redeemable on 31 August 2013 at a value of £72.8 million