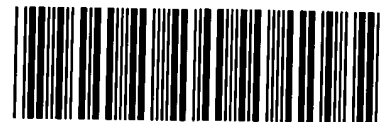

ISTITHMAR P&O ESTATES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 24 DECEMBER 2016

TUESDAY



L6FT6SQY

LD2

26/09/2017

#290

COMPANIES HOUSE

ISTITHMAR P&O ESTATES LIMITED

COMPANY INFORMATION

Directors	R O Keshiro S S Ali S R Karaikuruchi
Registered number	805591
Registered office	16 Palace Street London SW1E 5JQ
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH

ISTITHMAR P&O ESTATES LIMITED

CONTENTS

	Pages
Directors' report	1 - 3
Independent auditors' report	4 - 6
Profit and loss account	7
Statement of comprehensive income	8
Balance sheet	9
Statement of changes in equity	10 - 11
Notes to the financial statements	12 - 18

ISTITHMAR P&O ESTATES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 24 DECEMBER 2016

The directors present their report and the audited financial statements of Istithmar P&O Estates Limited (the 'Company'), for the year ended 24 December 2016.

Business review

The principal activity of the Company is to act as a property investment holding company.

The Company has not engaged in any commercial trading activity during the year.

Future developments

The Company will continue to act as a property investment holding company.

Results and dividends

The loss for the financial year amounted to £50,000 (2015 - result £NIL).

The directors do not recommend the payment of a dividend (2015: £NIL).

Principal risks and uncertainties

Impairment of investments in subsidiaries

The financial performance of subsidiary undertakings may affect their carrying value. The carrying value of these investments is monitored regularly for indications of impairment.

Going concern

The Company meets its day-to-day working capital requirements through its bank facilities. The current economic conditions continue to create uncertainty over the level of demand for the Company for the foreseeable future. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

R O Keshiro
S S Ali
S R Karaikuruchi

Qualifying third party indemnity provisions

All directors are entitled to contractual indemnification from the Company to the extent permitted by law against claims and legal expenses incurred in the course of their duties.

Such qualifying third party indemnity insurance is provided and remains in force as at the date of approving the Directors' report.

ISTITHMAR P&O ESTATES LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 24 DECEMBER 2016

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and applicable law). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

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

ISTITHMAR P&O ESTATES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 24 DECEMBER 2016**

Independent auditors

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

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



R O Keshiro
Director

Date: 25 September 2017

ISTITHMAR P&O ESTATES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ISTITHMAR P&O ESTATES LIMITED

Report on the financial statements

Our opinion

In our opinion, Istithmar P&O Estates Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 24 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Directors' Report and Financial Statements (the "financial statements"), comprise:

- the Balance Sheet as at 24 December 2016;
- the Profit and Loss Account and Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice), applicable to Smaller Entities.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, 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.

We have no exceptions to report arising from this responsibility.

ISTITHMAR P&O ESTATES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ISTITHMAR P&O ESTATES LIMITED

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

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

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements 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 & Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

ISTITHMAR P&O ESTATES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ISTITHMAR P&O ESTATES LIMITED

In addition, we read all the financial and non-financial information in the financial statements 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.



Nick Hare (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London
WC2N 6RH
25 September 2017

ISTITHMAR P&O ESTATES LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 24 DECEMBER 2016

	Note	2016 £	2015 £
Amounts written off investments	8	(50,000)	-
(Loss)/result on ordinary activities before tax		(50,000)	-
Tax on (loss)/result on ordinary activities	7	-	-
(Loss)/result for the financial year		(50,000)	-

There were no recognised gains and losses for 2016 or 2015 other than those included in the profit and loss account.

The notes on pages 12 to 18 form part of these financial statements.

ISTITHMAR P&O ESTATES LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 24 DECEMBER 2016**

	2016 £	2015 £
Loss for the financial year	(50,000)	-
Total comprehensive expense for the year	(50,000)	-

ISTITHMAR P&O ESTATES LIMITED
REGISTERED NUMBER: 805591

BALANCE SHEET
AS AT 24 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Investments	8	7,041,294	7,091,294
		<u>7,041,294</u>	<u>7,091,294</u>
Current assets			
Debtors	9	85	85
		<u>85</u>	<u>85</u>
Total assets less current liabilities		7,041,379	7,091,379
Creditors: amounts falling due after more than one year	10	(6,211,366)	(6,211,366)
Net assets		<u>830,013</u>	<u>880,013</u>
Capital and reserves			
Called up share capital	11	250,000	250,000
Profit and loss account		580,013	630,013
Total equity		<u>830,013</u>	<u>880,013</u>

The Company's financial statements on pages 7 to 18 have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 7 to 18 were approved and authorised for issue by the board of directors and were signed on its behalf by:


R O Keshiro
 Director

Date: 25 September 2017

The notes on pages 12 to 18 form part of these financial statements.

ISTITHMAR P&O ESTATES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 24 DECEMBER 2016**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 25 December 2015	250,000	630,013	880,013
Loss for the financial year	-	(50,000)	(50,000)
Other comprehensive income for the year	-	-	-
Total comprehensive expense for the year	-	(50,000)	(50,000)
Total transactions with owners	-	-	-
At 24 December 2016	250,000	580,013	830,013

ISTITHMAR P&O ESTATES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 24 DECEMBER 2015**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 25 December 2014	250,000	630,013	880,013
Result for the year	-	-	-
Total comprehensive income for the year	-	-	-
Total transactions with owners	-	-	-
At 24 December 2015	250,000	630,013	880,013

The notes on pages 12 to 18 form part of these financial statements.

ISTITHMAR P&O ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 24 DECEMBER 2016

1. General information

Istithmar P&O Estates Limited principal activity is to act as a property investment holding company.

The Company has not engaged in any commercial trading activity during the year.

The Company is a wholly owned subsidiary of P&O Property Holdings Limited.

The Company is a private company limited by shares and is organised in the United Kingdom. The address of its registered office is 16 Palace Street, London SW1E 5JQ.

2. Statement of compliance

The individual financial statements of Istithmar P&O Estates Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

The principal accounting policies in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Company has adopted FRS 102 in these financial statements.

3.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company has taken advantage of the following exemption:

- (i) from preparing a statement of cash flow, on the basis that it is a qualifying entity for the small company exemption.
- (ii) the non-disclosure of key management personnel compensation in total.
- (iii) a reconciliation of the number of shares outstanding at the beginning and end of the period.
- (iv) certain financial instrument disclosures providing equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 4).

The following principal accounting policies have been applied:

ISTITHMAR P&O ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 24 DECEMBER 2016

3. Summary of significant accounting policies (continued)

3.2 Going concern

The Company meets its day-to-day working capital requirements through its bank facilities. The current economic conditions continue to create uncertainty over the level of demand for the Company for the foreseeable future. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

3.3 Valuation of investments

Investments are stated at cost less any provision for impairment. Impairment losses are recognised in the Profit and loss account in the period in which they arise. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised.

During the year amounts written off relating to impairment of investments or dissolution.

3.4 Debtors

Short term debtors are measured at transaction price, less any impairment.

3.5 Taxation

Tax is recognised in the Profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

~~Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:~~

- ~~• The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;~~
- ~~• Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and~~
- ~~• Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.~~

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

ISTITHMAR P&O ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 24 DECEMBER 2016

3. Summary of significant accounting policies (continued)

3.6 Called up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.7 Related party

The Company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the Group.

3.8 Consolidated financial statements

The Company is a wholly owned subsidiary of P&O Property Holdings Limited, which, in turn, is a wholly owned subsidiary of Istithmar P&O Estates (UK) Limited. The smallest group of companies for which consolidated financial statements are prepared and in which the Company is consolidated is Istithmar Building FZE. The largest group of companies for which consolidated financial statements are prepared and in which the Company is consolidated is the ultimate parent company Dubai World. The consolidated financial statements of both groups are available on request. Therefore the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

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

4. Critical accounting judgements and estimation uncertainty

There were no critical accounting judgements and estimation uncertainty during the year.

5. Operating (loss)/result

(a) The Company's business is organised in the United Kingdom.

(b) The basis of charging intra-group interest is agreed between the parties from time to time.

(c) Fees for audit and non-audit services provided by PricewaterhouseCoopers LLP to the Company in 2015 and 2016 have been borne by other group undertakings. It is not practicable to ascertain what proportion of such fees relate to the Company.

6. Employees

The Company has no employees (2015: none) other than the directors, who did not receive any remuneration (2015: £NIL).

The directors are also directors/employees of, and were paid by, other group undertakings. The directors do not believe that it is practicable to apportion these emoluments between their services as directors of the Company and their services as directors/employees of other group undertakings.

ISTITHMAR P&O ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 24 DECEMBER 2016**

7. Tax on (loss)/result on ordinary activities

	2016 £	2015 £
Total current tax	-	-
Total deferred tax	-	-
Taxation on (loss)/result on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015 - *the same as*) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

	2016 £	2015 £
(Loss)/result on ordinary activities before tax	(50,000)	-
(Loss)/result on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	(10,000)	-
Effects of:		
Other permanent differences	10,000	-
Total tax charge for the year	-	-

Factors that may affect future tax charges

From 1 April 2015 the UK corporation tax rate was reduced from 21% to 20%. Further reductions from 20% to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. The rate change will impact the amount of future tax recognised by the Company. However it does not have any effect on the current year results.

Unrecognised deferred tax

A deferred tax asset of £345 (2015: £406) has not been recognised in respect of decelerated capital allowances. The asset is unrecognised as there is uncertainty as to whether there will be suitable profits and gains available for offset in the future.

ISTITHMAR P&O ESTATES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 24 DECEMBER 2016

8. Investments

	Investments in subsidiary companies £
Cost or valuation	
At 25 December 2015	7,091,294
Dissolved	(50,000)
	<hr/>
At 24 December 2016	7,041,294
	<hr/>
Impairment	
At 25 December 2015/24 December 2016	-
	<hr/>
Net book value	
At 24 December 2016	7,041,294
	<hr/>
At 24 December 2015	7,091,294
	<hr/>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
P&O Estates Limited UK	UK	Ordinary	100 %	Service Organisation

The Company's subsidiary undertakings at the date of the balance sheet are set out above. All are wholly owned subsidiary Companies of Istithmar P&O Estates Limited, registered in England and Wales, and engaged as a property investment holding company.

In the opinion of the directors, the value of the shares in the subsidiary undertakings is not less than the amount shown in the balance sheet.

ISTITHMAR P&O ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 24 DECEMBER 2016**

9. Debtors

	2016	2015
	£	£
Group relief receivable	85	85
	<u>85</u>	<u>85</u>

There are no debtors falling due after more than one year.

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

	2016	2015
	£	£
Amounts owed to group undertakings	6,211,366	6,211,366
	<u>6,211,366</u>	<u>6,211,366</u>

Amounts owed to group undertakings are unsecured, interest free and are repayable on demand. The amounts due are non-instalment debts.

11. Called up share capital

	2016	2015
	£	£
Shares classified as equity		
Authorised, allotted, called up and fully paid		
250,000 (2015: (250,000)) Ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>

ISTITHMAR P&O ESTATES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 24 DECEMBER 2016**

12. Controlling party

The immediate parent undertaking at 24 December 2016 is P&O Property Holdings Limited, a company incorporated in the United Kingdom.

The smallest group of companies for which consolidated financial statements are prepared and in which the Company is consolidated is Istithmar Building FZE, a company incorporated in Dubai. The consolidated financial statements of this group are available on request from P.O. Box 1700, Dubai, United Arab Emirates..

The largest group of companies for which consolidated financial statements are prepared and in which the Company is consolidated is the ultimate parent company Dubai World. The consolidated financial statements of this group are available on request from P.O. Box 1700, Dubai, United Arab Emirates.