

LIEC PHASE 3 WE4B LIMITED

Report and Financial Statements

Year Ended

31 December 2018

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LIEC Phase 3 WE4B Limited

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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Company secretary

T & H Secretarial Services Limited

Registered office

3 Bunhill Row, London, EC1Y 8YZ

Company number

06627064

LIEC Phase 3 WE4B Limited

DIRECTORS' REPORT

For the year ended 31 December 2018

The directors of the company present their report and the financial statements of LIEC Phase 3 WE4B Limited (company number 06627064) for the year ended 31 December 2018.

Results and dividends

The statement of comprehensive income is set out on page 4 and shows the financial result for the year. The directors do not recommend the payment of a dividend (31 December 2017 - £nil).

The results for the Company are as follows:

	31 Dec 2018	31 Dec 2017
	£	£
Revenue	-	-
Result from operating activities	-	-
Net cash flows from operating activities	-	-

Business review

The principal activity of the Company in the year was to act as a holding company for its interest in Western Gateway 2 LLP.

Composition of the board

The following served as directors of the company during the year and up to the date of the signing of the report and financial statements.

Chairman

Kevin Murphy

Executive directors

Humaid Matar Al Dhaheiri

Important events after the date of the financial statements and future developments

There have been no important events since the end of the financial year that have affected the company. The directors do not consider that there are any likely future developments outside the normal course of business that would affect the company.

Approved by the board and signed on its behalf



Kevin Murphy, Director
26 September 2019

LIEC Phase 3 WE4B Limited

STRATEGIC REPORT

For the year ended 31 December 2018

The directors present their strategic report of the activities of LIEC Phase 3 WE4B Limited for the year ended 31 December 2018.

Business review and strategy

The company acts as a holding company for its joint venture Western Gateway 2 LLP. The company itself has not traded in the year.

Risks and uncertainties

The management of the company is subject to a number of risks and uncertainties, the most prominent of which are noted below. Risks facing the business are reviewed by the board of directors and appropriate processes are in place to identify, monitor and mitigate these risks.

Valuation of subsidiary companies

The valuation of the company's subsidiary entity Western Gateway 2 LLP is dependent on its financial performance. This could be adversely affected by a number of factors including:


Property valuation

The London property market has experienced strong growth in recent years but there is a risk that this will not continue.

Construction costs

Following the UK's decision to leave the European Union, weaker exchange rates have led to inflationary pressure on imported goods and services. The availability of construction labour may also be affected by immigration controls as the UK exits the EU.

Approved by the board and signed on its behalf

A handwritten signature in black ink, appearing to read 'Kevin Murphy', with a large, stylized flourish at the end.

Kevin Murphy, Director
26 September 2019

LIEC Phase 3 WE4B Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements 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.

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.

Approved by the board and signed on its behalf

A handwritten signature in black ink, appearing to read 'Kevin Murphy', is written over a large, faint circular stamp or watermark.

Kevin Murphy, Director
26 September 2019

LIEC Phase 3 WE4B Limited**STATEMENT OF COMPREHENSIVE INCOME**
For the year ended 31 December 2018

	31 Dec 2018 £	31 Dec 2017 £
Revenue	-	-
Expenses	-	-
	<hr/>	<hr/>
PROFIT FROM OPERATING ACTIVITIES	-	-
Finance income	-	-
Finance cost	-	-
	<hr/>	<hr/>
PROFIT BEFORE TAX	-	-
Taxation	-	-
	<hr/>	<hr/>
PROFIT & TOTAL COMPREHENSIVE INCOME FOR THE YEAR	-	-
	<hr/>	<hr/>

There were no recognised gains or losses for 2018 or 2017 other than those included in the statement of comprehensive income.

The notes on pages 8 to 12 form part of these financial statements.

LIEC Phase 3 WE4B Limited

STATEMENT OF FINANCIAL POSITION
As at 31 December 2018

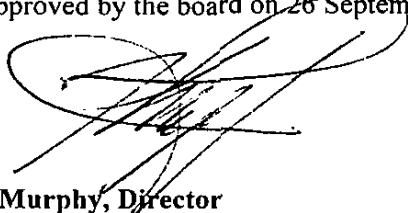
	Note	31 Dec 2018 £	31 Dec 2017 £
Non-current assets			
Investments	5	2,000,000	354,800
Called up share capital not paid		1	1
Amounts owed by group companies	6	411,844	750,000
		<hr/>	<hr/>
TOTAL ASSETS		2,411,845	1,104,801
		<hr/>	<hr/>
Non-current liabilities			
Amounts owed by group companies	7	(1,411,844)	(1,104,800)
Deferred income	8	(1,000,000)	-
		<hr/>	<hr/>
		(2,411,844)	(1,104,800)
Equity			
Share capital	9	(1)	(1)
Other reserves		-	-
Retained earnings		-	-
		<hr/>	<hr/>
TOTAL EQUITY AND LIABILITIES		(2,411,845)	(1,104,801)
		<hr/>	<hr/>

For the year ending 31 December 2018, LIEC Phase 3 WE4B Limited 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 accounts.

The financial statements of LIEC Phase 3 WE4B Limited (company number 06627064) on pages 4 to 12 were approved by the board on 26 September 2019.



Kevin Murphy, Director

The notes on pages 8 to 12 form part of these financial statements.

LIEC Phase 3 WE4B Limited**STATEMENT OF CASH FLOWS**

For the year ended 31 December 2018

	31 Dec 2018 £	31 Dec 2017 £
OPERATING ACTIVITIES		
Cash received as deferred income	1,000,000	-
	<hr/>	<hr/>
Net cash flows from operating activities	1,000,000	-
INVESTING ACTIVITIES		
Purchase of investments	(1,645,200)	(354,800)
	<hr/>	<hr/>
Net cash flows from investing activities	(1,645,200)	(354,800)
FINANCING ACTIVITIES		
Issuance of loan (net)	338,156	(750,000)
Return of borrowings (net)	307,044	1,104,800
	<hr/>	<hr/>
Net cash flows from financing activities	645,200	354,800
NET INCREASE IN CASH AND CASH EQUIVALENTS	-	-
	<hr/>	<hr/>
Cash and cash equivalents at beginning of year	-	-
Cash and cash equivalents at end of year	-	-
	<hr/>	<hr/>

The notes on pages 8 to 12 form part of these financial statements.

LIEC Phase 3 WE4B Limited

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2018

	Share capital £	Total equity £
<i>For the year ended 31 December 2018</i>		
At 1 January 2018	1	1
	<hr/>	<hr/>
At 31 December 2018	1	1
	<hr/>	<hr/>
<i>For the year ended 31 December 2017</i>		
At 1 January 2017	1	1
	<hr/>	<hr/>
At 31 December 2017	1	1
	<hr/>	<hr/>

The notes on pages 8 to 12 form part of these financial statements.

LIEC Phase 3 WE4B Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

1 CORPORATE INFORMATION

The financial statements of LIEC Phase 3 WE4B Limited (“the company”) for the year ended 31 December 2018 were authorised for issue in accordance with a resolution of the board of directors on 26 September 2019.

The company is a private company limited by shares and is registered in England and Wales with number 06627064. The registered office of the company is 3 Bunhill Row, London, EC1Y 8YZ.

The principal activity of the company in the year was the ownership of a parcel of land on the campus of the ExCeL London exhibition and conference centre.

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

Basis of preparation

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union and interpretations issued by the IFRS Interpretations Committee (IFRS IC). The financial statements are presented in United Kingdom Pounds Sterling which is the functional currency of the company. All amounts have been rounded to the nearest pound (£) unless indicated otherwise.

Statement of compliance

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and the applicable requirements of the Companies Act 2006.

3 PRINCIPAL ACCOUNTING POLICIES

The following accounting policies have been applied consistently in these financial statements:

Going concern

The financial statements have been prepared on the going concern basis. The company has sufficient cash to meet its operational commitments for the foreseeable future.

Significant accounting judgements, estimates and assumptions

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. These judgements and estimates are based on management’s best knowledge of the relevant facts and circumstances, with regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimates is contained in the accounting policies and/or the notes to the financial statements.

LIEC Phase 3 WE4B Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS **For the year ended 31 December 2018**

3 PRINCIPAL ACCOUNTING POLICIES *(continued)*

Investments

Investments are stated at cost less any provisions for impairment. Management determines whether there are any indications of impairment to investments at each reporting date. An impairment exists when the carrying value of an investment exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs to sell and the value in use. The calculation of fair value less costs to sell is based on available data from binding sales of similar assets in arm's length transactions. The value in use calculation is based on a cash flow model. Calculating the value in use requires the company's subsidiaries to make estimates of future cash flows. Any impairment of investments is charged to the statement of comprehensive income in the period of impairment.

Deferred income

Deferred income represents amounts paid in advance to fund building projects.

Financial instruments

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

4 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

The company has applied the following financial accounting standards and interpretations in these financial statements however they do not impact the financial statements of the company.

IFRS 9	Financial Instruments – Classification and measurement
IFRS 15	Revenue from contracts with customers

The IASB has issued the following new accounting standards and updates to existing accounting standards with an effective date after the date of these financial statements which the directors expect to be relevant to the company:

<i>International Accounting Standards (IAS/IFRS)</i>	<i>Effective for periods that begin on or after</i>
IFRS 16 Leases	1 January 2019

The company expects to apply these standards from the date that they become effective. The directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the company's financial statements in the period of initial application.

The notes on pages 8 to 12 form part of these financial statements.

LIEC Phase 3 WE4B Limited**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

For the year ended 31 December 2018

5 INVESTMENTS

	Share in Joint Venture undertaking £
<i>Cost and net book value</i>	
At 31 December 2018	2,000,000

The following entities are joint ventures of the company at 31 December 2018:

Company name	Address	% holding or indirect interest	Country of incorporation	Nature of business
<i>Directly held</i>				
Western Gateway 2 LLP	140 Aldersgate Street, London, United Kingdom, EC1A 4HY	50%	England & Wales	Property developer

6 AMOUNTS OWED BY GROUP COMPANIES*Non-current*

	31 Dec 2018 £	31 Dec 2017 £
Amounts owed by group companies	411,844	750,000
	<u>411,844</u>	<u>750,000</u>

Amounts owed by group companies represents a balance owed by London International Exhibition Centre PLC. The balance is unsecured and repayable on 31 January 2025. Therefore at 31 December 2018 this balance continues to be classified as non-current.

7 AMOUNTS OWED TO GROUP COMPANIES*Non-current*

	31 Dec 2018 £	31 Dec 2017 £
Amounts owed to group companies	1,411,844	1,104,800
	<u>1,411,844</u>	<u>1,104,800</u>

The notes on pages 8 to 12 form part of these financial statements.

LIEC Phase 3 WE4B Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

7 AMOUNTS OWED TO GROUP COMPANIES (continued)

Amounts owed to group companies represents a balance owed to London International Exhibition Centre PLC. The balance is unsecured and is repayable on demand. No interest has been charged to date. London International Exhibition Centre PLC continues to provide an undertaking to the company that it will only demand repayment of all or part of the balance or charge interest subject to a minimum 12 month notice period. Therefore at 31 December 2018 this liability continues to be classified as non-current.

8 DEFERRED INCOME

Non-current

	31 Dec 2018 £	31 Dec 2017 £
Deferred income	1,000,000	-
	<hr/>	<hr/>
	1,000,000	-
	<hr/>	<hr/>

Deferred income relates to a receipt of £1,000,000 relating to a building project to be started in 2020.

9 SHARE CAPITAL

At 31 December 2018 and 31 December 2017

	Allotted, called up and fully paid £	Number
Equity share capital		
Ordinary Shares of £1 each	1	1

10 ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The ultimate parent company and controlling party is Abu Dhabi National Exhibitions Company PJSC, a company incorporated in the United Arab Emirates. The company's immediate parent company is ADCG (UK) Limited, a company incorporated in England and Wales.

The smallest group into which the company's financial statements are consolidated is ADCG (UK) Limited, an intermediate holding company incorporated in England and Wales. The company's financial statements are also consolidated into the financial statements of the ultimate parent company, Abu Dhabi National Exhibitions Company PJSC.

The notes on pages 8 to 12 form part of these financial statements.

LIEC Phase 3 WE4B Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

11 RELATED PARTY TRANSACTIONS

Related parties of the company comprise other group companies that are controlled by the ultimate parent company, and the directors of the company. Pricing policies and terms of transactions with related parties are approved by the group's management.

Transactions with other group companies

London International Exhibition Centre PLC, a fellow group company, has paid on the company's behalf £225,396 (year ended 31 December 2017 - £354,800) of professional fees and other costs relating to the management of the company's parcel of land. The balance outstanding owing to London International Exhibition Centre PLC at the reporting date was £1,000,000 (31 December 2017: £354,800). The outstanding balance is unsecured.

Compensation of directors

No directors received emoluments during the year from LIEC Phase 3 WE4B Limited in respect of their service as a director of the company. Directors receive emoluments from other group companies and it is not practical to determine the proportion of these emoluments which relates to their services as directors of this company.

The notes on pages 8 to 12 form part of these financial statements.