TASLEEM (UK) LIMITED

Directors' report and financial statements

Registered number 09095679

For the year ended 31 December 2016

Contents

Strategic Report

The directors, in preparing this Strategic Report, have complied with section s414C of the Companies Act 2006.

Principal activities and Review of the business

The company was incorporated on 20 June 2014 and is a fully owned subsidiary of Qatari Diar Real Estate Investment Company (QDREIC). Its principal activity is to be a development management company. Since its start, the company has been focusing on the construction of the Chelsea Barracks project located in Chelsea, London.

In 2017, the Board of QDREIC approved a corporate restructuring plan which will ultimately result in the wind up of Tasleem operations. It is envisaged that several UK entities will be established to own the Chelsea Barracks project. Going forward, development management activities for Chelsea Barracks will be undertaken by each of the new Chelsea Barracks property owning entities and other QDREIC related party entities.

Results and Dividends

The profit for the year dealt within the financial statements is £1,988,710 (2015 profit: £1,067,701).
The directors are satisfied with the financial performance and the position of the company for the year ended 31 December 2016.

Principle Risks and Uncertainties

The company provides development management services focusing on the construction of the Chelsea Barracks projects in Chelsea, London.

The following describes pertinent risks and the applied risk management. These risks are managed through a process of ongoing identification, measurement and monitoring.

The directors are responsible of the company's risk strategy and policy, including the identification and evaluation on a continuous basis of all significant risks to the business plan, and analysis of the monthly management accounts by the directors and senior management.

Financial Key Performance Indicators

The company's turnover for year ending 2016 was £124.6m (2015: £83.6m), and the profit before tax was £2.5m (2015: £1.2m). This shows that after the initial ground works being completed, the focus shifted quickly on the actual construction of four buildings.

Capital Management

The capital structure of the company consists of cash and cash equivalents, and equity, comprising of issued capital and retain earnings. The board continues to monitor the balance of the overall capital structure considering the payment of dividends, new share issues and share buybacks. The company is not subject to any externally imposed capital requirements. Qatari Diar Real Estate Investment Company has confirmed to the directors that it will continue to support the company for a period of at least twelve months from the date the financial statements are signed.

Liquidity Risk

The company generates sufficient cash flow from operations to meet its obligation as they come due. QDREIC has confirmed that it will continue to support the company to enable it to carry out its operational activities in respect of the project and to discharge its liabilities as they fall due for at least twelve months from the date the financial statements are signed.

Post Balance Sheet Events

At the date of this report, the Company is not aware of any events that would affect the financial statements for the period ending 31 December 2016.

Fahad Mohammed Al-Ansari

Director

29th August 2017

Directors' report

The directors of Tasleem (UK) Limited (the Company), present their directors' report and financial statements for the year ended 31 December 2016. The report and financial statements are prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Directors

The following directors have held office during the financial year and subsequently:
Fahad Al-Ansari (appointed since 22/09/14)
Fahad Al Asmakh (appointed since 04/03/15)
Fabien Laurent Toscano (appointed on 19/11/14, resigned on 02/02/16)
Ann Hodgetts (appointed since 01/02/16).

Political contribution

The company incurred no political expenditure during the year (2015: £nil).

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will not be deemed to be reappointed and Deloitte LLP will therefore not continue in office, due to the group being restructured.

By order of the board

Fahad Mohammed Al-Ansari
Director

29th August 2017

Directors' responsibilities statement

The directors are responsible for preparing the Annual 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 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 these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- Make an assessment of the company's ability to continue as a going concern.

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.

Report of the independent auditor to the shareholder of Tasleem (UK) Limited

We have audited the financial statements of Tasleem (UK) Limited (the "Company") for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Cash Flow Statement and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 auditor

As explained more fully in the Directors' Responsibilities Statement, 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 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 annual report 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.

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 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – Financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and 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.

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 any material misstatements in the Strategic Report and Directors' Report.

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.

Siobhan Durcan

for and on behalf of Deloitte LLP

Statutory Auditor

St. Helier, Jersey

~~29th~~ August 2017
31st

Statement of Comprehensive Income
For the year ended 31 December 2016

	Note	2016 £	2015 £
Revenue	2	124,570,676	83,635,838
Cost of Sales	3	(119,467,235)	(80,298,610)
Gross profit		5,103,441	3,337,228
Administrative expenses		(2,615,741)	(1,921,671)
Operating profit	4	2,487,700	1,415,557
Finance expense		(1,149)	(238,947)
Profit before tax		2,486,551	1,176,610
Taxation charge	6	(497,841)	(108,909)
Profit for the year		1,988,710	1,067,701
Other comprehensive income		-	-
Total comprehensive income for the year		1,988,710	1,067,701

The results of the company are derived entirely from continuing activities. There was no income and expense for the current financial year other than that reported in the statement of comprehensive income.

The notes on pages 9 to 21 form part of the Financial Statements.

Statement of Financial Position
As at 31 December 2016

	Note	2016	2015
		£	£
Non-current assets			
Property, plant and equipment	7	107,373	183,965
		107,373	183,965
Current assets			
Trade and other receivables	9	11,947,966	10,488,721
Amount due from group companies	13	5,741,701	1,137,220
Cash and cash equivalents	8	3,418,413	1,774,229
		21,108,080	13,400,170
Total assets		21,215,453	13,584,135
Current liabilities			
Trade and other payables	10	(16,367,293)	(11,222,891)
Corporate Tax		(512,629)	-
Amount due to group companies	13	(64,330)	(63,965)
Deferred tax liability	6	(18,254)	(33,043)
Total liabilities		(16,962,506)	(11,319,899)
Net assets		4,252,947	2,264,237
Equity			
Share capital	11	1,500,001	1,500,001
Retained earnings		2,752,946	764,236
Total equity		4,252,947	2,264,237

These financial statements were approved by the board of directors on 29th August 2017 and were signed on its behalf by:

Fahad Mohammed Al-Ansari
Director

Company registration number 06569590

The notes on pages 9 to 21 form part of the Financial Statements.

Statement of Changes in Equity
For the year ended 31 December 2016

	Share capital £	Retained earnings £	Total equity £
Balance at 31 December 2015	1,500,001	(303,465)	1,196,536
Profit for the year	-	1,067,701	1,067,701
Balance at 31 December 2015	1,500,001	764,236	2,264,237
Profit for the year	-	1,988,710	1,988,710
Balance at 31 December 2016	**1,500,001**	**2,752,946**	**4,252,947**

The notes on pages 9 to 21 form part of the Financial Statements.

Cash Flow Statement
For the year ended 31 December 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Profit/(loss) before tax		2,486,551	1,176,610
Adjustments for:			
Depreciation and amortisation	7	61,856	16,002
Impairment of assets		17,488	-
Financial expense		1,149	238,947
		2,567,044	1,431,559
(Increase)/decrease in trade and other receivables		(1,459,245)	(10,384,150)
Increase in trade and other payables		5,144,403	10,723,206
Cash flow from operations		6,252,202	1,770,615
Net cash flow used in operating activities		6,252,202	1,770,615
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(2,753)	(199,967)
Financial expense		(1,149)	(238,947)
Net cash flow used in investing activities		(3,902)	(438,914)
Cash flows from financing activities			
(Decrease) in intercompany funding		(4,604,116)	(934,056)
Net cash generated from financing activities		(4,604,116)	(934,056)
Net increase in cash and cash equivalents		1,644,184	397,645
Cash and cash equivalents at beginning of the year		1,774,229	1,376,584
Cash and cash equivalents at the end of the year		3,418,413	1,774,229

The notes on pages 9 to 21 form part of the Financial Statements.

Notes (forming part of the financial statements)

General Information

Tasleem (UK) Limited (the "Company") is a company incorporated and domiciled in the UK. The nature of the Company's operations and its principal activities are set out in the business review on pages 1. The address of the registered office is 16 Grosvenor Street, London, W1K 4QF.

1 Accounting policies

Basis of preparation

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report on pages 1 to 2.

The newly adopted IFRSs which are effective for the first time in the year have not had a material effect on the financial statements.

The Company has assessed the effect of issued IFRSs not currently effective, but their adoption is not expected to have a material effect on future financial statements.

Both IFRS 7 (Financial Instruments: Disclosure) & IFRS 13 (Fair Value Measurement) was considered on a sale of fixed assets for a nominal fee.

Going concern

The financial statements have been prepared on a basis other than going concern, which the directors believe to be appropriate. QDREIC intends to undertake a corporate restructuring after which the principal activities of Tasleem will be performed by other QDREIC entities and Tasleem will be wound up. The timing of the completion of the restructuring has not been finalised but it is expected occur during the third quarter of 2017.

Foreign currency

Transactions in foreign currencies are translated to Sterling at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to Sterling at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in profit and loss except for differences arising on the retranslation of qualifying cash flow hedges, which are recognised directly in equity. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to Sterling at foreign exchange rates ruling at the dates the fair value was determined.

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. Given the nature of trade and other receivables, however and their short length of time between the origination and settlement, their amortised cost is the same as the fair value on date of origination.

Notes (continued)

1 Accounting policies *(continued)*

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. Given the nature of the trade and other payables, however and their short length of time between the origination and settlement, their amortised cost is the same as the fair value on the date of origination.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Leases in which the company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and less accumulated impairment losses. Lease payments are accounted for as described below.

Depreciation is charged to the Statement of Comprehensive Income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

- plant and equipment - 3 years
- fixtures and fittings - 5 years
- IT equipment - 3 years (grouped within equipment).

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

Impairments

The carrying amounts of the company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment; a financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. As IFRS 7 states - Impairment losses are recognised in profit and loss.

Notes (continued)

Revenue and cost of sales

A transfer pricing margin is applied to the operating cost charged to profit and loss in respect of the service the company provides to its group companies.

The company's business activity is that described in the Directors' Report, and accordingly all revenue is generated within the group of Qatari Diar Real Estate Investment Company.

Cost of sales arises from the services that the company provides to its group companies which the company's main source of revenue. Revenue is recognised in accordance with IAS 18 Revenue once the services have been fully provided.

Financing income and expenses

Financing expenses comprise interest payable, finance charges on shares classified as liabilities and finance leases, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss. Financing income comprise interest receivable on funds invested, dividend income and net foreign exchange gains.

Foreign currency gains and losses are reported on a net basis.

Critical Accounting Judgement

The preparation of the financial statements in conformity with IFRS that requires the use of certain critical accounting estimates and judgements. It also requires management to exercise judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and impairment, transfer pricing, recoverability of intercompany and including expectations of future events that are believed to be reasonable under the circumstances.

- ***Transfer Pricing*** - The Company's sole customer is a related party and the arrangements are therefore subject to applicable UK transfer pricing legislation (contained within Part 4, Taxation (International & Other Provisions) Act 2010). The Company's transactions with its sole customer and resultant profitability have been benchmarked against market comparable to ensure that they are consistent with arm's length pricing for the services provided.

- ***Recoverability of Intercompany*** - All amounts are interest free and repayable on demand.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Notes (continued)

2 Revenue

	2016 £	2015 £
Rendering of services		
- to group companies	124,570,676	83,635,838
	124,570,676	83,635,838

3. Cost of Sales

	2016 £	2015 £
- to group companies	119,467,235	80,298,610
	119,467,235	80,298,610

4 Operating profit

Operating Profit has been arrived at, after charging:	2016 £	2015 £
Audit of financial statements	10,300	12,100
Depreciation (see note 7)	61,856	16,002
	72,156	28,102

5 Staff numbers and costs

The number of employees (excluding directors) at the end of the year was 6 (2015: 5).

The aggregate payroll costs of these persons were as follows:

	2016 £	2015 £
Wages and salaries	784,764	479,863
Social security costs	102,661	80,423
	887,425	560,286

Notes (continued)

6 Taxation

Recognised in profit and loss	**2016** **£**	**2015** **£**
Current tax expense		
Current year charge	512,629	-
Prior year adjustment	-	-
Current tax charge	512,629	-
Deferred tax expense		
Current year charge	(15,318)	113,967
Prior year adjustment	72	-
Adjustment due to change in tax rate on opening deferred tax asset	458	(5,058)
Deferred tax (charge)/credit	(14,788)	108,909
Total tax charge	497,841	108,909

Notes (continued)

Taxation (continued)

Reconciliation of total tax charge/(credit)	2016 £	2015 £
Profit for the year	2,486,551	1,176,610
Tax at the UK standard corporation tax rate of 20% (2015: 20.25%)	497,310	238,224
Prior year adjustment	72	-
Expenses not taxable/expenses not deductible	-	2,338
Expenses deductible for tax purposes	-	-
Reduction in tax rate	459	(5,059)
Group relief claimed	-	(126,594)
Total tax charge	497,841	108,909

Recognised in the balance sheet

Deferred tax (asset)/liability

	Tax losses £	Accelerated capital allowances £	Total £
Balance at 31 December 2014	(75,866)	-	(75,866)
Charge for the period	75,866	33,043	108,909
Balance at 31 December 2015	-	33,043	33,043
Adjustment in respect of prior years		72	72
Charge for the year		(14,861)	(14,861)
Balance at 31 December 2016		18,254	18,254

Notes (continued)

7 Property, Plant and Equipment

	Plant and equipment	Fixtures & fittings	PPE Total
	£	£	£
Cost			
Balance at 1 January 2016	171,670	28,297	199,967
Additions during the year	2,753	-	2,753
Disposals in the year	-	(20,575)	(20,575)
Balance at 31 December 2016	174,423	7,722	182,145
Depreciation			
Balance at 1 January 2016	(14,606)	(1,396)	(16,002)
Depreciation charge for the year	(58,254)	(3,602)	(61,856)
Disposals	-	3,086	3,086
Balance at 31 December 2016	(72,860)	(1,912)	(74,772)
Net book value			
At 31 December 2015	157,064	26,901	183,965
At 31 December 2016	**101,563**	**5,810**	**107,373**

8 Cash and cash equivalents

	2016	2015
	£	£
Cash and cash equivalents	3,418,413	1,774,229

9 Trade and other receivables

	2016	2015
	£	£
Refundable deposit	-	17,400
Other receivables	2,813	-
Accrued revenues	11,922,739	10,376,736
Prepayments	22,414	94,585
	11,947,966	10,488,721

Notes (continued)

10 Trade and other payables

	2016 £	2015 £
Current		
Trade payables	11,230,663	9,116,244
VAT and salary taxes payable	58,158	969,427
Accrued expenses	425,349	-
Other payables	4,653,123	1,137,220
	16,367,293	11,222,891

11 Share capital

Allotted, issued and fully paid

	2016 £	2015 £
1,500,001 ordinary share of £1	1,500,001	1,500,001

The Company has only one classified shares, which carry no rights to fixed income

Notes (continued)

12 Fair values of financial instruments

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material.

Trade and other payables

The fair value of trade and other payables is estimated as the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material.

Cash and cash equivalents

The fair value of cash and cash equivalents is estimated as its carrying amount where the cash is repayable on demand. Where it is not repayable on demand then the fair value is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date.

There is no material difference between the carrying value and fair value of any of the Company's financial instruments.

13 Related party transactions

The Company has a related party relationship with its parent company, group undertakings and its directors. Particulars of transactions, arrangement and agreements involving related parties are as follows:

Related party	**Amount of transaction** £	**Balance at 31 December** £	**Details of transaction**
2016			
Qatari Diar UK Limited	(365)	(64,330)	Provision of administrative services to sister company
Project Blue Limited	4,604,481	5,741,701	Retention held on contractors, which yet to be invoiced to PBL and a Phase 4 invoice.

Notes (continued)
Related party (continued)

Related party	Amount of transaction £	Balance at 31 December £	Details of transaction
2015			
Qatari Diar UK Limited	313,142	(63,965)	Provision of administrative services to sister company
Project Blue Limited	1,201,394	1,137,220	Professional Fees owed to Tasleem

14 Ultimate parent company and parent company of larger group

The company is a wholly owned subsidiary undertaking of Qatari Diar Real Estate Investment Company which is the ultimate parent company incorporated in Qatar.

The only group in which the results of the company are consolidated is Qatari Diar Real Estate Investment Company incorporated in Qatar. The consolidated financial statements of this group are not available to the public.

15 Risk Management

The company provides development management services focusing on the construction of the Chelsea Barracks project in Chelsea, London.

The following describes pertinent risks and the applied risk management. These risks are managed through a process of ongoing identification, measurement and monitoring.

The directors are responsible of the company's risk strategy and policy, including the identification and evaluation on a continuous basis of all significant risks to the business plan, and analysis of the monthly management accounts by the directors and senior management.

Capital Management

The capital structure of the Company consists of working capital, cash and cash equivalents (note 8) and equity, comprising of issued capital, reserves and retained earnings (page 11). The board continues to monitor the balance of the overall structure considering the payment of dividends, new shares, share buybacks as well as the issue of new debt or the redemption of existing debt. The Company is not subject to any externally imposed capital requirements. Qatari Diar Real Estate Investment Company has confirmed to the directors, that it will continue the Company for a period of at least twelve months from the date the financial statements are signed.

Liquidity & credit risk

The Company's cash flow is effectively financed by its sole customer which is a related party. The directors are aware of the liquidity risk, and this implies that we ensure that strict credit control procedures are enforced. QDREIC has confirmed to the directors, that it will continue the Company to enable it to carry out its operational activities in respect of the project and to discharge its liabilities as they fall due. QDREIC has confirmed to the directors, that it will continue the Company for a period of at least twelve months from the date the financial statements are signed.

Notes (continued)

Risk Management

Counterparty risk
The Company has exposure to counterparty risk in connection with both debtor and creditors. If the customer defaults payment, we could in turn default payment to the creditor/s. Hence the liquidity that management highlighted above.

Market risk
The Company focuses on the construction of quality, luxury developments in the UK. The Company's position is less challenging that that faced by its competitors because QDREIC has confirmed that they will provide finance to enable the build out of the project. This will mitigate some of the current market risk. The directors believe that the high-end spectrum are less sensitive to the market volatility. Therefore, by investing in the "luxury" development properties in prime desirable residential locations, such as London, the Company has lowered the risk profile of the portfolio. A particular emphasis on the property marketing and brand awareness will further mitigate some of the market risk elements within management control.

16 Subsequent Event

QDREIC intends to undertake a corporate restructuring after which the principal activities of Tasleem will be performed by other QDREIC entities and therefore Tasleem UK Ltd will be wound up. The timing of the completion of the restructuring has not been finalised but it is expected occur during the third quarter of 2017.

In anticipation of the restructuring, the Company has agreed not to charge a transfer pricing margin on the Chelsea Barracks Project, this will be effective from 1st June 2017.