

Company Number: 04651821

RA LEGACY LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2019

TUESDAY



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COMPANIES HOUSE

RA Legacy Limited**Directors**

David J. Burlison
Brent W. De Jong (resigned 26th November 2019)
Eugene I. Davis
Matthew A. Doheny
Matthew C. Turner (resigned 26th November 2019)
Khalil E. Nooruddin
Ebtisam Al Arrayed

Registered Office

5 Market Yard Mews, 194 - 204 Bermondsey Street
London, SE1 3TQ

Company No.

04651821

Auditors

BDO LLP
55 Baker Street, London W1U 7EU

Report of the Directors

The Directors present their report and the audited financial statements for the year ended 30th June 2019.

It is the Director's intention to liquidate the company in the foreseeable future. The financial statements have therefore been prepared on a basis other than going concern.

The directors are aware of the worldwide impact of Covid-19, but do not believe it has any impact on the company, given its lack of activity.

Results and Dividends

The loss for the year after taxation amounted to £2,223,200 (2018: £1,195,585).

The Directors do not recommend the payment of a dividend for the year.

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

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

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

By Order of the Board on 29 June 2020



Eugene I. Davis
Director

RA Legacy Limited**Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Report of the Directors 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 and applicable law. The financial statements must, in accordance with IFRS as adopted by the European Union, present fairly the financial position and performance of the company; such references in the UK Companies Act 2006 to such financial statements giving a true and fair view are references to their achieving a fair presentation. Under the company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS as adopted by the European Union; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business. As explained in note 1(b) to the financial statements, the Directors do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis.

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.

Independent Auditor's Report to the Members of RA Legacy Limited

Opinion

We have audited the financial statements of RA Legacy Limited (the 'company') for the year ended 30th June 2019, which comprise the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. 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.

In our opinion:

- give a true and fair view of the state of the company's affairs as at 30th June 2019 and of its loss 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.

Basis for opinion

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

Emphasis of matter – Basis of preparation

We draw attention to note 1(b) to the financial statements, which explains that the Directors' intention to liquidate the company and therefore do not consider the company to be a going concern. Accordingly, the financial statements have been prepared on a basis other than that of going concern as described in note 1(b). Our opinion is not modified in respect of this matter.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Report and financial statements, other than the Report and financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members of RA Legacy Limited (Continued)

Opinions on other matters 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Report of the Directors and from the requirement to prepare a Strategic Report.

Responsibilities of Directors

As explained more fully in the Statement of Directors Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

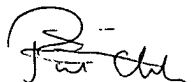
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's Report to the Members of RA Legacy Limited (Continued)**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Clark (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London

Date: 30 June 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

RA Legacy Limited

Statement of Comprehensive Income

For the year ended 30th June 2019

	<u>Note</u>	<u>2019</u> £	<u>2018</u> £
Revenue		-	-
Operating Expenses			
General and administration expenses		(1,170,642)	(1,297,098)
Exchange (loss)/gain		(1,052,558)	101,513
		<u>(2,223,200)</u>	<u>(1,195,585)</u>
Loss Before Taxation	2	(2,223,200)	(1,195,585)
Taxation	4	-	-
Loss for the Year		<u><u>(2,223,200)</u></u>	<u><u>(1,195,585)</u></u>

The Company has no items of other comprehensive income.

All results relate to discontinued activities.

Company Number: 04651821

RA Legacy Limited

Statement of Financial Position as at 30th June 2019

	<u>Note</u>	30th June 2019 £	30th June 2018 £
Current Assets			
Trade and other receivables	5	-	15,466
Total Current Assets and Total Assets		-	15,466
Current Liabilities			
Trade and other payables	6	-	92,333
Amounts due to group companies	9	28,945,858	26,645,791
Total Liabilities		28,945,858	26,738,124
Equity			
Share capital	7	1	1
Accumulated deficit		(28,945,859)	(26,722,659)
Total Equity		(28,945,858)	(26,722,658)
Total Equity and Liabilities		-	15,466

The financial statements were approved and authorised for issue by the Board on
and signed on its behalf by



Eugene I. Davis
Director

29 June 2020

RA Legacy Limited

**Statement of Changes in Equity
For the year ended 30th June 2019**

	<u>Share Capital</u> £	<u>Accumulated Deficit</u> £	<u>Total Equity</u> £
Balance at 30th June 2017	1	(25,527,074)	(25,527,073)
Loss for the year	-	(1,195,585)	(1,195,585)
Balance at 30th June 2018	1	(26,722,659)	(26,722,658)
Loss for the year	-	(2,223,200)	(2,223,200)
Balance at 30th June 2019	1	(28,945,859)	(28,945,858)

RA Legacy Limited

Statement of Cash Flows
For the year ended 30th June 2019

	<u>2019</u> £	<u>2018</u> £
Cash Flows from Operating Activities		
Loss for the year	(2,223,200)	(1,195,585)
Adjustment for:		
Decrease in trade and other receivables	-	71,675
Decrease in trade and other payables	(92,333)	(6,713)
Net Cash utilised by Operating Activities	<u>(2,315,533)</u>	<u>(1,130,623)</u>
Cash Flows from Financing Activities		
Advances from group companies	2,315,533	1,130,623
Net Cash generated in Financing Activities	<u>2,315,533</u>	<u>1,130,623</u>
Movement in Cash and Cash Equivalents	<u>-</u>	<u>-</u>
Cash and Cash Equivalents at Beginning of Year	<u>-</u>	<u>-</u>
Cash and Cash Equivalents at End of Year	<u>-</u>	<u>-</u>

All payments in the year ended 30th June 2019 and 2018 have been made on behalf of the company by group companies.

RA Legacy Limited

Financial Statements for the year ended 30th June 2019

Notes

1. Accounting Policies

(a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

The financial statements are stated in Pound Sterling ("£"), being the functional currency of the Company. The principal accounting policies adopted are set out below.

(b) Going concern

The financial statements have been prepared on a basis other than going concern, as it is the intention of the Directors to liquidate the Company in the foreseeable future.

There were no effects of preparing the financial statements on a basis other than that of going concern.

(c) Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amount of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form a basis for making the judgments about carrying value of assets and liabilities that are not readily apparent from other sources.

The Directors have reviewed the estimates and assumptions used in the preparation of the financial statements. The Directors do not believe that there is a significant risk which would lead to material adjustments to the carrying value of any assets and liabilities in the next financial year due to the changes on the estimates or assumptions.

(d) Foreign currencies

Transactions in foreign currencies are recorded in Pound Sterling using the exchange rate prevailing on the transaction date. Monetary assets and liabilities in foreign currencies are translated into Pound Sterling at the rates of exchange prevailing at the reporting period date. Any gains or losses are taken to the statement of comprehensive income.

(e) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method less appropriate allowances for the estimated irrecoverable amounts. Deterioration in the counterparty's financial conditions may affect allowances for credit losses.

RA Legacy Limited

Financial Statements for the year ended 30th June 2019

Notes (Continued)

1. Accounting Policies (Continued)

(f) Taxation

Current tax is provided for based on results for the period. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The current tax liability is calculated using tax rates that have been enacted by the reporting period date.

Deferred tax is provided in full on timing differences which result in an obligation at the reporting date to pay more tax, or a right to pay less tax, at a future date, at rates that are expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2. Loss Before Taxation

Loss before taxation is stated after charging the following:

	<u>2019</u> £	<u>2018</u> £
Auditors' remuneration - statutory audit	8,000	8,000
- tax compliance	3,500	1,750
- tax consultancy	4,500	-
	<u> </u>	<u> </u>

3. Staff Costs

	<u>2019</u> £	<u>2018</u> £
Directors fees	1,235,977	1,204,471
	<u> </u>	<u> </u>

No Director received benefits accruing under a defined contribution scheme (2018: nil).

Directors fees of £305,189 (2018: £297,683) was payable to the highest paid Director.

The only employees of the company were the Directors. The average number of Directors receiving fees in the year was 7 (2018: 7).

RA Legacy Limited

Financial Statements for the year ended 30th June 2019

Notes (Continued)

4. Taxation

	<u>2019</u> £	<u>2018</u> £
(a) Tax charge for the year		
Current tax charge (note 4b)	-	-
Deferred tax credit (note 4c)	-	-
	<u>-</u>	<u>-</u>

(b) Tax reconciliation

The tax charge for the year is based on the weighted average standard rate of UK corporation tax of 19% (2018: 19%). A reconciliation is provided below:

	<u>2019</u> £	<u>2018</u> £
Loss before taxation	(2,223,200)	(1,195,585)
Tax on profit before tax at 19% (2018: 19%)	(422,408)	(227,161)
Capital allowances	(291,253)	-
Losses carried forward	713,661	227,161
	<u>-</u>	<u>-</u>
Current tax charge	<u>-</u>	<u>-</u>

(c) Deferred taxation

At the reporting period date, there is a deferred tax asset of £nil (2018: £4,536,945) which has not been recognised on the grounds of uncertainty over future recoverability. All trading losses carried forward at 30th June 2019 were eliminated.

5. Trade and Other Receivables

	<u>2019</u> £	<u>2018</u> £
Amount due from a fellow subsidiary	<u>-</u>	<u>15,466</u>

The amount due from a fellow subsidiary was unsecured, interest free and repayable on demand.

RA Legacy Limited

Financial Statements for the year ended 30th June 2019

Notes (Continued)

6. Trade and Other Payables

	<u>2019</u> £	<u>2018</u> £
Accruals	-	15,000
Other taxation	-	77,332
	<hr/>	<hr/>
	-	92,332
	<hr/> <hr/>	<hr/> <hr/>

7. Share Capital

	<u>2019</u> £	<u>2018</u> £
Authorised, allotted and fully paid 1 ordinary share of £1	1	1
	<hr/> <hr/>	<hr/> <hr/>

8. Parent Company and Ultimate Controlling Undertaking

The Company's immediate parent company is RA Holdco 3 Limited, a company incorporated in the Cayman Islands.

The Company's ultimate parent and controlling undertaking is RA Holding Corp., a company incorporated in the Cayman Islands.

9. Amounts due to Group Companies

At 30th June 2019 a balance of £27,713,428 is due to RA Holdco 3 Limited (2018: £26,645,791). The balance is denominated in US Dollars, is unsecured, interest free and repayable on demand.

At 30th June 2019 a balance of £1,232,430 is due to RA Holdco 2 LLC (2018: £nil), an intermediate parent company. The balance is unsecured, interest free and repayable on demand.

RA Legacy Limited

Financial Statements for the year ended 30th June 2019

Notes (Continued)

11. Financial Instruments

(a) Financial Risk Factors

The Company's activities expose it to a variety of financial risks including market risk (interest rate risk and currency risk), credit risk and liquidity risk. The Directors monitor the financial risk of the Company and take such measures as considered necessary from time to time to minimise such financial risks. The Company's overall risk management programme seeks to minimise potential adverse effects on the Company's financial performance. The financial risks to which the Company is exposed are described below:

Interest Rate Risk

Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to any significant interest rate risk as no material assets or liabilities are interest bearing.

Liquidity Risk

Liquidity risk is the risk that an entity will be unable to meet its liabilities when they fall due under normal and stress circumstances. Prudent liquidity risk management implies maintaining a sufficiently liquid position. The Company monitors and maintains a level of liquidity deemed adequate to finance the Company's operations and closely monitors periodic cash forecasts, which take into account the Company's maturity profile.

The Company has no finance from external banking institutions. Total loan borrowings from group companies are £28,945,858 (2018: £26,645,791) at the reporting period date, and there is no set date of maturity.

Currency Risk

Currency risk is the risk of loss due to changes in exchange rates. The Company does not use derivative financial instruments to hedge against the volatility associated with foreign currency transactions. The Company monitors the currency position on the overall currency exposure.

The loan balance with RA Holdco 3 Limited is denominated in US Dollars. Sensitivity analysis indicates that at 30th June 2019, had the Pound Sterling decreased against the US Dollar by more than 10%, the result for the year would have increased by \$3,384,000 (2018: \$3,316,000) and an increase of 10% in the exchange rate would have decreased the result in the year by the same amount.

The loan balance with RA Holdco 2 LLC is denominated in Pounds Sterling.

RA Legacy Limited

Financial Statements for the year ended 30th June 2019

Notes (Continued)

11. Financial Instruments (continued)

(b) Categories of Financial Instruments

	<u>2019</u> £	<u>2018</u> £
<u>Financial Assets</u>		
Loans and receivables	-	15,466
	<hr/>	<hr/>
<u>Financial Liabilities</u>		
Financial liabilities at amortised cost	28,945,858	26,738,124
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Fair Values

The fair values of financial assets and liabilities are not materially different from their carrying amounts because of the immediate or short-term maturity of these financial instruments.

(c) Capital Risk Management

Capital comprises of share capital of £1 plus borrowings of £28,945,858 (2018: £26,645,791), defined as amounts due to group companies.

12. Recent Accounting Pronouncements

The Company has adopted the new interpretations and revised standards effective for the year ended 30th June 2019. The adoption of these interpretations and revised standards had no impact on the disclosures and presentation of the financial statements during the year.

A number of new standards and amendments to existing standards have been published which are mandatory, but are not effective for the year ended 30th June 2019. The directors do not anticipate that the adoption of these revised standards and interpretations will have a significant impact on the figures included in the financial statements on initial application.