

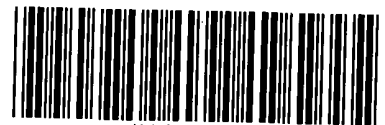
**Company Number: 04651821**

**RA LEGACY LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30th JUNE 2017**

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COMPANIES HOUSE

**RA Legacy Limited****Directors**

David J. Burlison  
Brent W. De Jong  
Eugene I. Davis  
Matthew A. Doheny  
William B. Mollison (resigned 23 January 2017)  
Matthew C. Turner  
Khalil E. Nooruddin  
Ebtisam Al Arrayed (appointed 23 January 2017)

**Registered Office**

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

**Company No.**

04651821

**Auditors**

Moore Stephens LLP  
150 Aldersgate Street, London EC1A 4AB

**Report of the Directors**

The directors present their report and the audited financial statements for the year ended 30th June 2017.

It is the director's intention to liquidate the company in the foreseeable future. The financial statements have therefore been prepared on the break up basis.

**Results and Dividends**

The loss for the year after taxation amounted to £994,654 (2016: profit of £975,550).

The director does 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 27 March 2018

  
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 30 June 2017 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, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 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.

### **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.

### **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) in the financial statements, which describes the basis of preparation. The directors have prepared the financial statements using a break-up basis of accounting as they consider that the company is not a going concern. 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 annual report, other than the 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report 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 strategic report or the directors' report.

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 take advantage of the small companies' exemption from the requirement in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

### **Responsibilities of 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, 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.

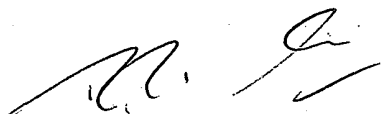
### **Auditor's responsibilities for the audit of the financial statements**

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.

**Independent Auditor's Report to the Members of RA Legacy Limited (Continued)****Auditor's responsibilities for the audit of the financial statements (continued)**

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Richard Moore, Senior Statutory Auditor



For and on behalf of Moore Stephens LLP, Statutory Auditor  
150 Aldersgate Street  
London  
EC1A 4AB

Date: 29 March 2018

**RA Legacy Limited**

**Statement of Comprehensive Income**

**For the year ended 30th June 2017**

	<u>Note</u>	<u>2017</u> £	<u>2016</u> £
<b>Revenue</b>			
Management advisory fees	1(d)	-	2,488,356
Other income		27,748	31
<b>Operating Expenses</b>			
General and administration expenses		1,251,672	1,813,733
Exchange gain		(229,270)	(300,896)
		<u>1,022,402</u>	<u>1,512,837</u>
<b>(Loss)/Profit Before Taxation</b>	2	(994,654)	975,550
Taxation	4	-	-
<b>(Loss)/Profit for the Year</b>		<u>(994,654)</u>	<u>975,550</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 2017

	<u>Note</u>	30th June <u>2017</u> £	30th June <u>2016</u> £
<b>Current Assets</b>			
Trade and other receivables	5	87,141	139,689
<b>Total Current Assets and Total Assets</b>		<u>87,141</u>	<u>139,689</u>
<b>Current Liabilities</b>			
Trade and other payables	6	99,046	255,395
Provision	7	-	704,806
Amounts due to group company	10	25,515,168	23,711,907
<b>Total Liabilities</b>		<u>25,614,214</u>	<u>24,672,108</u>
<b>Equity</b>			
Share capital	8	1	1
Accumulated deficit		(25,527,074)	(24,532,420)
<b>Total Equity</b>		<u>(25,527,073)</u>	<u>(24,532,419)</u>
<b>Total Equity and Liabilities</b>		<u>87,141</u>	<u>139,689</u>

The financial statements were approved and authorised for issue by the Board on 27 March 2018  
and signed on its behalf by

  
Eugene I. Davis  
Director



**RA Legacy Limited**

**Statement of Changes in Equity  
For the year ended 30th June 2017**

	<u>Share Capital</u> £	<u>Accumulated Deficit</u> £	<u>Total Equity</u> £
Balance at 1st July 2015	1	(25,507,970)	(25,507,969)
Profit for the year	-	975,550	975,550
Balance at 30th June 2016	1	(24,532,420)	(24,532,419)
Loss for the year	-	(994,654)	(994,654)
Balance at 30th June 2017	1	(25,527,074)	(25,527,073)

**RA Legacy Limited**

**Statement of Cash Flows**  
**For the year ended 30th June 2017**

	<u>2017</u> £	<u>2016</u> £
<b>Cash Flows from Operating Activities</b>		
(Loss)/profit for the year	(994,654)	975,550
Adjustment for:		
Decrease in trade and other receivables	52,548	289,585
Decrease in trade and other payables	(156,349)	(70,058)
(Settlement)/increase in provision	(704,806)	704,806
<b>Net Cash (utilised)/generated by Operating Activities</b>	<u>(1,803,261)</u>	<u>1,899,883</u>
<b>Cash Flows from Financing Activities</b>		
Advances/(repayment of advances) from group companies	1,803,261	(2,337,863)
<b>Net Cash generated/(utilised) in Financing Activities</b>	<u>1,803,261</u>	<u>(2,337,863)</u>
<b>Decrease in Cash and Cash Equivalents</b>	<u>-</u>	<u>(437,980)</u>
<b>Cash and Cash Equivalents at Beginning of Year</b>	-	437,980
<b>Cash and Cash Equivalents at End of Year</b>	<u>-</u>	<u>-</u>

All payments in the year ended 30 June 2017 have been made on behalf of the company by the parent company.

## RA Legacy Limited

### Financial Statements for the year ended 30th June 2017

#### 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 the break up basis, as it the intention of the directors to liquidate the Company in the foreseeable future.

##### (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) Revenue and expenses

Deal structuring, advisory and investment service fees are recognised on the date of closure of the contract, when services are rendered in accordance with IAS 18. Expenses are recognised on the accruals basis.

##### (e) 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.

##### (f) 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 2017**

**Notes (Continued)**

**1. Accounting Policies (Continued)**

**(g) 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)/Profit Before Taxation**

(Loss)/profit before taxation is stated after charging the following:

	<u>2017</u> £	<u>2016</u> £
Auditors' remuneration - statutory audit	8,000	12,000
- tax compliance	2,850	3,000
- tax consultancy	-	9,858
	<u>          </u>	<u>          </u>

## RA Legacy Limited

## Financial Statements for the year ended 30th June 2017

## Notes (Continued)

## 3. Staff Costs

	<u>2017</u> £	<u>2016</u> £
Directors fees	<u>1,288,315</u>	<u>1,087,573</u>

No director received benefits accruing under a defined contribution scheme (2016: nil).

Directors fees of £315,082 (2016: £270,279) 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 (2016: 7).

## 4. Taxation

	<u>2017</u> £	<u>2016</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 19.75% (2016: 20%). A reconciliation is provided below:

	<u>2017</u> £	<u>2016</u> £
(Loss)/profit before taxation	<u>(994,654)</u>	<u>975,550</u>
Tax on profit before tax at 19.75% (2016: 20%)	(196,444)	195,110
Non-allowable expenses	-	1,080
Losses brought forward set against current profits	-	(196,190)
Losses carried forward	<u>196,444</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 £4,066,871 (2016: £4,328,291) which has not been recognised on the grounds of uncertainty over future recoverability.

# RA Legacy Limited

## Financial Statements for the year ended 30th June 2017

### Notes (Continued)

#### 5. Trade and Other Receivables

	<u>2017</u> £	<u>2016</u> £
Amount due from a fellow subsidiary	15,464	15,469
Other receivables	71,677	124,220
	<u>87,141</u>	<u>139,689</u>

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

#### 6. Trade and Other Payables

	<u>2017</u> £	<u>2016</u> £
Accruals	15,000	15,000
Other taxation	84,046	240,395
	<u>99,046</u>	<u>255,395</u>

#### 7. Provision

An amount of £704,806 was provided in the year ended 30 June 2016, which related to the estimated additional payments and associated costs which may become due under winding up of an Employee Benefit Trust arrangement.

The final settlement paid in the year ended 30 June 2017 was £643,945.

#### 8. Share Capital

	<u>2017</u> £	<u>2016</u> £
Authorised, allotted and fully paid 1 ordinary share of £1	<u>1</u>	<u>1</u>

#### 9. 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.

## RA Legacy Limited

### Financial Statements for the year ended 30th June 2017

#### Notes (Continued)

#### 10. Amounts due to Group Company

The balance of £25,515,168 (2016: £23,711,907) is due to the parent company RA Holdco 3 Limited. The balance is unsecured, interest free and repayable on demand.

#### 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 RA Holdco 3 Limited are £25,515,168 (2016: £23,711,907) 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 2016, had the Pound Sterling decreased against the US Dollar by more than 10%, the result for the year would have increased by \$3,316,000 (2016: \$3,200,000) and an increase of 10% in the exchange rate would have decreased the result in the year by the same amount.

**RA Legacy Limited**

**Financial Statements for the year ended 30th June 2017**

**Notes (Continued)**

**11. Financial Instruments (continued)**

**(b) Categories of Financial Instruments**

	<u>2017</u> £	<u>2016</u> £
<u>Financial Assets</u>		
Loans and receivables	87,141	139,689
	<hr/>	<hr/>
<u>Financial Liabilities</u>		
Financial liabilities at amortised cost	25,614,214	23,967,302
	<hr/>	<hr/>

**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 £25,515,168 (2016: £23,711,907), defined as amounts due to group company.

**12. Recent Accounting Pronouncements**

**(a) New interpretations and revised standards effective for the year ended 30th June 2017**

The Company has adopted the new interpretations and revised standards effective for the year ended 30th June 2017. The adoption of these interpretations and revised standards had no impact on the disclosures and presentation of the financial statements during the year.

**(b) Standards and interpretations in issue but not yet effective**

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 2017. 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 in the period of initial application other than the following:



**RA Legacy Limited****Financial Statements for the year ended 30th June 2017****Notes (Continued)****12. Recent Accounting Pronouncements (Continued)****(b) Standards and interpretations in issue but not yet effective (continued)****IFRS 9: Financial Instruments**

The standard makes substantial changes to the measurement of financial assets and financial liabilities. There will only be three categories of financial assets whereby financial assets are recognised at either fair value through profit and loss, fair value through other comprehensive income or measured at amortised cost. On adoption of the standard, the Company will have to re-determine the classification of its financial assets based on the business model for each category of financial asset. This is not considered likely to give rise to any significant adjustments other than the re-categorisation.

The principal change to the measurement of financial assets measured at amortised cost or fair value through other comprehensive income is that impairments will be recognised on an expected loss basis compared to the current incurred loss approach. As such, where there are expected to be credit losses these are recognised in profit or loss. For financial assets measured at amortised cost the carrying amount of the asset is reduced for the loss allowance. For financial assets measured at fair value through other comprehensive income the loss allowance is recognised in other comprehensive income and does not reduce the carrying amount of the financial asset.

Most financial liabilities will continue to be carried at amortised cost, however, some financial liabilities will be required to be measured at fair value through profit or loss, for example derivative financial instruments, with changes in the liabilities' credit risk recognised in other comprehensive income.

The standard is effective for periods beginning on or after 1 January 2018.