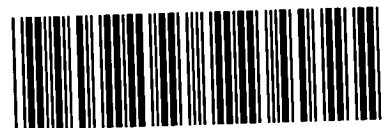


WPC 2 Limited

Financial Statements

For the year ended 31 December 2017

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Company Number: 07611002

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Administrative information

Director

J D Weight

Company Secretary

Langham Hall UK Services LLP

Auditor

haysmacintyre
10 Queen Street Place
London
EC4R 1AG

Banker

C. Hoare & Co
37 Fleet Street
London
EC4P 4DQ

Solicitor

Macfarlanes LLP
20 Cursitor Street
London
EC4A 1LT

Registered Office

5 Old Bailey
London
EC4M 7BA

Registered Number

07611002

Strategic Report

The Director presents the strategic report for the year ended 31 December 2017.

Review of the business

The principal activity of WPC 2 Limited, "the Company" is that of a Holding Company. The director does not see any change in the nature of this activity going forward.

Net assets

The Company had net assets of £6,166,461 as at 31 December 2017 (as at 31 December 2016 restated: £6,806,158).

Key Performance Indicators

The Company's key financial performance indicators during the period were as follows:

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Dividend income	3,100,774	3,044,420

Principal risk and uncertainties

The main risks arising from the Company's operations include credit risk, market risk and liquidity risk.

The director reviews and agrees policies for managing each of these risks and they are summarised below.

Credit Risk

The carrying amount of the investments held at fair value best represents the maximum exposure to credit risk for the Company. No issues have been identified with the credit quality of the financial assets.

Market risk

Market risk is the loss in value of financial assets and liabilities due to changes in market conditions.

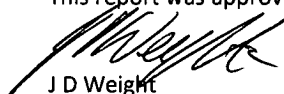
All investments present a risk of loss of capital. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

The main component of Market risk is Price risk which is the risk of volatility in financial instruments because of changes in, for example, commodity prices or equity prices.

Liquidity risk

Liquidity risk is the risk that the Company does not have sufficient cash or collateral to make payments to its counterparties and customers as they fall due.

This report was approved by the board on 26 September 2018 and signed on its behalf by



J D Weight

Director

Director's report

The director presents this report and the audited financial statements for the year ended 31 December 2017.

Results and dividends

The Statement of Comprehensive Income is set out on page 7 and shows the profit for the year ended 31 December 2017 of £2,461,077 (year to 31 December 2016 restated: £1,780,378). During the year ended 31 December 2017 dividends of £3,100,774 (year ended 31 December 2016: £3,044,420) have been proposed and paid.

Director

The sole director of the Company during the year and up to the date of this report was J D Weight.

Going concern

The director is satisfied that the Company has adequate resources to continue to operate for the foreseeable future. For this reason, the going concern basis has been adopted for preparing the financial statements.

Future developments

The director confirms that the Company will continue as a Holding Company and will generate dividends from its holding in BXC UK Limited.

Statement of director's responsibilities

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 the Financial Reporting Standard Applicable in the UK and Republic of Ireland. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period.

In preparing these financial statements, the director is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards, including FRS 102, have been followed; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. He is 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.

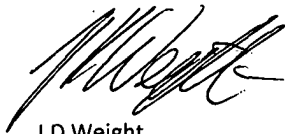
Director's report (continued)

Provision of information to auditors

The director at the time this Director's report is approved has confirmed that:

- So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- The director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

This report was approved by the board on 26 September 2018 and signed on its behalf by



J D Weight

Director

Independent auditor's report

Opinion

We have audited the financial statements of WPC2 Limited (the 'company') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cashflows, Statement of Changes in Equity 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 United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of the its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 other 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 opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 (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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, 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

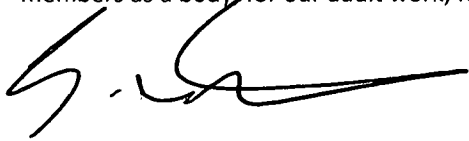
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report (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.



Simon Wilks (Senior Statutory Auditor)

For and on behalf of haysmacintyre, Statutory Auditors

26 September 2018

10 Queen Street Place

London

EC4R 1AG

Statement of Comprehensive Income

	Notes	Year ended 31 December 2017 £	As restated year ended 31 December 2016 £
Dividend income	2	3,100,774	3,044,420
Fair value movement on investment	4	(639,697)	(1,264,042)
Profit before tax		2,461,077	1,780,378
Tax	3	-	-
Profit for the year		2,461,077	1,780,378
Total comprehensive income for the year		2,461,077	1,780,378

There were no recognised gains or losses for the year ended 31 December 2017 or the year ended 31 December 2016, other than those included in the Income Statement.

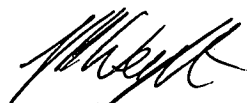
Statement of Financial Position

Company Number: 07611002

	Notes	As at 31 December 2017	As restated at 31 December 2016
		£	£
Assets			
Non current assets			
Investments	4	6,202,887	6,842,584
Current assets			
Debtors	5	248	249
Cash	6	8,326	8,325
		<u>8,574</u>	<u>8,574</u>
Current Liabilities			
Creditors: amounts falling due within one year	7	(45,000)	(45,000)
		<u>(45,000)</u>	<u>(45,000)</u>
Net current liabilities		<u>(36,426)</u>	<u>(36,426)</u>
Net assets		<u>6,166,461</u>	<u>6,806,158</u>
SHAREHOLDERS EQUITY			
Share capital	8	101	101
Profit and loss account	9	6,166,360	6,806,057
		<u>6,166,461</u>	<u>6,806,158</u>

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of the financial statements.

The financial statements were approved and authorised for issue by the board on 26 September 2018 and were signed on their behalf by



J D Weight

Director

Notes 1-14 form an integral part of these financial statements

Statement of Cash flows

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Cash flows from operating activities		
Decrease in debtors	1	2,320
Cash inflows from operating activities	1	2,320
Cash flows from investing activities		
Dividends received	3,100,774	3,044,420
Purchase of investments	-	(1,900)
Net cash inflow from investing activities	3,100,774	3,042,520
Cash flows from financing activities		
Dividends paid	(3,100,774)	(3,044,420)
Net cash outflow from financing activities	(3,100,774)	(3,044,420)
Net increase in cash and cash equivalents	1	420
Cash and cash equivalents at the start of the year	8,325	7,905
Cash and cash equivalents at the end of the year	8,326	8,325

Notes 1-14 form an integral part of these financial statements

Statement of Changes in Equity

	Share Capital £'000	Profit and loss account £'000	Total £'000
At 1 January 2017	101	6,806,057	6,806,158
Profit and loss account	-	2,461,077	2,461,077
Dividends	-	(3,100,774)	(3,100,774)
At 31 December 2017	<u>101</u>	<u>6,166,360</u>	<u>6,166,461</u>

	Share Capital £'000	Profit and loss account £'000	Total £'000
At 1 January 2016	101	981,113	981,214
Net effect of change in accounting policy	-	7,088,986	7,088,986
Restated balance at the beginning of the Reporting Period	<u>101</u>	<u>8,070,099</u>	<u>8,070,200</u>
Profit and loss account	-	1,780,378	1,780,378
Dividends	-	(3,044,420)	(3,044,420)
At 31 December 2016	<u>101</u>	<u>6,806,057</u>	<u>6,806,158</u>

Notes to the financial statements

1. Accounting policies

Statement of Compliance

WPC 2 Ltd is a limited company incorporated in England and Wales. The registered office is 5 Old Bailey, London, EC4M 7BA.

The accounts have been prepared in compliance with FRS 102 as it applies to the financial statements of the company for the year ended 31 December 2017.

Basis of preparation

The financial statements have been prepared on the going concern basis, under the historical cost convention, and in accordance with the applicable accounting standards. The financial statements are prepared in sterling (£) which is the functional currency of the company.

Dividends

Dividend income is recognised when the shareholders right to receive payment is established.

Investment income

Investment income represents dividend amounts receivable from BXC UK Limited.

Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Financial instruments

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired.

A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

A financial liability is initially recognised at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at cost.

Debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Creditors

Creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at the undiscounted amount payable.

Notes to the financial statements (continued)

1. Accounting policies (continued)

Investments at fair value through profit and loss

Investments are valued at fair value, with all valuation movements being recognised in the Statement of Comprehensive Income. Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.

The fair values of the investments that are not traded in an active market have been determined using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each Balance Sheet date

Cash and cash equivalents

Cash and cash equivalents comprise of cash balances with an original maturity of less than three months.

2. Investment income

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Dividends received from BXC UK Limited	<u>3,100,774</u>	<u>3,044,420</u>

3. Taxation

	Year ended 31 December 2017 £	Year ended 31 December 2016 £
Current taxation		
UK Corporation tax	<u>-</u>	<u>-</u>

Notes to the financial statements (continued)

4. Investments

As at 31 December 2017

	Fair value at 1 January 2017 £	Addition during the year £	Revaluation during the year £	Fair value at 31 December 2017 £
Other equity investments	<u>6,842,584</u>	<u>-</u>	<u>(639,697)</u>	<u>6,202,887</u>

As restated at 31 December 2016

	Fair value at 1 January 2016 £	Addition during the year £	Revaluation during the year £	Fair value at 31 December 2016 £
Other equity Investments	<u>8,104,726</u>	<u>1,900</u>	<u>(1,264,042)</u>	<u>6,842,584</u>

The company holds a non-controlling share of the economic shares in BXC UK Limited. For this reason the investment has been treated as an investment held exclusively with a view to subsequent resale.

5. Debtors

	As at 31 December 2017 £	As at 31 December 2016 £
Amounts due from related undertakings	<u>248</u>	<u>249</u>

6. Cash and cash equivalents

	As at 31 December 2017 £	As at 31 December 2016 £
Cash and cash equivalents	<u>8,326</u>	<u>8,325</u>

7. Creditors: amounts falling due within one year

	As at 31 December 2017 £	As at 31 December 2016 £
Other loans payable	<u>45,000</u>	<u>45,000</u>

Notes to the financial statements (continued)

8. Share Capital

	As at 31 December 2017 £	As at 31 December 2016 £
1 special £1 share	1	1
80 ordinary £1 D Shares	80	80
20 ordinary £1 E Shares	20	20
	<u>101</u>	<u>101</u>

9. Reserves

Profit and loss account

The profit and loss account represents accumulated comprehensive income for the year and prior periods less any dividends paid and non-distributable reserves.

Non-distributable reserves

Non-distributable reserves consist of any unrealised gains or losses on the investments. Gains and losses are only distributable when realised.

10. Financial Instruments

Financial assets measured at amortised cost	As at 31 December 2017 £	As at 31 December 2016 £
Amounts due from related undertakings	<u>248</u>	<u>249</u>
	<u>248</u>	<u>249</u>
Financial assets measured at fair value through profit or loss	As at 31 December 2017 £	As restated at 31 December 2016 £
Investments at fair value through profit or loss	<u>6,202,887</u>	<u>6,842,584</u>

Notes to the financial statements (continued)

10. Financial Instruments (continued)

Financial liabilities that are debt instruments measured at the undiscounted amount payable	As at 31 December 2017 £	As at 31 December 2016 £
Other loans payable	45,000	45,000
	<u>45,000</u>	<u>45,000</u>

The Partnership's income, expense, gains and losses in respect of financial instruments are summarised below:

	Year ended 31 December 2017 £	Year ended 31 December 2016 restated £
<u>Fair value gains and losses</u>		
Investments held at fair value through profit or loss	(639,697)	(1,264,042)
	<u>(639,697)</u>	<u>(1,264,042)</u>

11. Controlling party

The ultimate controlling party is J D Weight.

12. Related party transactions

As at 31 December 2017 £45,000 (as at 31 December 2016: £45,000) was payable to Weight Partners Corporate Limited, a shareholder in the Company. No interest was accrued on the outstanding principal during the year.

Dividends of £3,100,774 (year ended 31 December 2016: £3,044,420) were received during the year from BXC UK Limited in respect of the company's investment in promote and economic shares. J D Weight is a director of BXC UK Limited.

Key management personnel

The director who has authority and responsibility for planning, directing and controlling the activities of the Company is considered to be key management personnel.

There was no remuneration in respect of this individual during the year (year to 31 December 2016: nil).

13. Judgements and critical accounting estimates

Valuation of investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in the Statement of Comprehensive Income. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

The investments are carried at fair value with all valuation movements being recognised in the Statement of Comprehensive Income.

Notes to the financial statements (continued)

13. Judgements and critical accounting estimates (continued)

Valuation of investments (continued)

The values assigned to investments are based upon available information and do not necessarily represent amounts that might ultimately be realised. Because of the inherent uncertainty of valuations, estimated carrying values may differ significantly from the values that would have been realised had a ready market for the investments existed, and these differences could be material. Unrealised gains or losses on investments are dealt with in the Statement of Comprehensive Income

14. Prior year restatement

The director has concluded that all subsidiary companies should be excluded from consolidation on the grounds that the companies are held exclusively with a view to subsequent resale as part of an investment portfolio, therefore group accounts are not required. Since the investments are now held at fair value in the Company's balance sheet a prior year adjustment has been processed to recognise the fair value of those investments as at 1 January 2016. The increase in net assets as at this date was £7,088,986. No deferred taxation has been provided on the revaluation since on disposal of the investments the substantial shareholding exemption should be available.