

**DIANA CAPITAL UK LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

FRIDAY



LD7 \*L7FEQSGQ\* 28/09/2018 #228  
COMPANIES HOUSE

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Intangible assets	4	596	664
Tangible assets	5	94,377	106,778
Investments	6	187,678,000	-
		<u>187,772,973</u>	<u>107,442</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	7	30,186	81,129
Cash at bank and in hand	8	154,483	63,220
		<u>184,669</u>	<u>144,349</u>
Creditors: amounts falling due within one year	9	(188,995,374)	(781,267)
<b>Net current liabilities</b>		<u>(188,810,705)</u>	<u>(636,918)</u>
<b>Total assets less current liabilities</b>		<u>(1,037,732)</u>	<u>(529,476)</u>
<b>Net liabilities</b>		<u>(1,037,732)</u>	<u>(529,476)</u>
<b>Capital and reserves</b>			
Called up share capital		1	1
Profit and loss account		(1,037,733)	(529,477)
		<u>(1,037,732)</u>	<u>(529,476)</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

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**DIANA CAPITAL UK LIMITED**  
**REGISTERED NUMBER: 09903171**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2017**

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



**Alexander Fellowes**  
Director

Date: 28 September 2018  
The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**1. General information**

Diana Capital UK Limited is a private company limited by shares incorporated and registered in England and Wales. The company's registered office is 2nd Floor, 21 Cork Street, London, W1S 3LZ.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 Going concern**

Diana Capital UK Limited had net current liabilities of £188,810,705 and an overall deficit of £1,037,732 for the year ended 31 December 2017. The company's directors have confirmed their ability and willingness to support the company financially for at least twelve months from the date of signing the accounts. The going concern basis is therefore considered to be appropriate.

**2.3 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

**2.4 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	33% Straight line
Office equipment	-	33% Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and Loss Account.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**2. Accounting policies (continued)**

**2.5 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the profit and loss account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**2.6 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.7 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions.

**2.8 Financial instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**2. Accounting policies (continued)**

**2.8 Financial instruments (continued)**

at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2.9 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.10 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the profit and loss account within 'other operating income'.

**2.11 Finance costs**

Finance costs are charged to the profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017

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2. Accounting policies (continued)

2.12 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2016: 2).

4. Intangible assets

	Website £
<b>Cost</b>	
At 1 January 2017	675
At 31 December 2017	675
<b>Amortisation</b>	
At 1 January 2017	11
Charge for the year	68
At 31 December 2017	79
<b>Net book value</b>	
At 31 December 2017	596
At 31 December 2016	664

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017

5. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 1 January 2017	59,485	78,426	137,911
Additions	34,168	6,091	40,259
At 31 December 2017	93,653	84,517	178,170
<b>Depreciation</b>			
At 1 January 2017	12,197	18,936	31,133
Charge for the year on owned assets	25,781	26,879	52,660
At 31 December 2017	37,978	45,815	83,793
<b>Net book value</b>			
At 31 December 2017	55,675	38,702	94,377
At 31 December 2016	47,288	59,490	106,778

6. Fixed asset investments

	Unlisted investments £
<b>Cost or valuation</b>	
Additions	187,678,000
At 31 December 2017	187,678,000
<b>Net book value</b>	
At 31 December 2017	187,678,000
At 31 December 2016	-

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**DIANA CAPITAL UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**7. Debtors**

	2017 £	2016 £
Other debtors	15,829	46,601
Prepayments and accrued income	14,357	34,528
	<u>30,186</u>	<u>81,129</u>

**8. Cash and cash equivalents**

	2017 £	2016 £
Cash at bank and in hand	154,483	63,220
	<u>154,483</u>	<u>63,220</u>

**9. Creditors: Amounts falling due within one year**

	2017 £	2016 £
Trade creditors	57,519	18,294
Amounts owed to group undertakings	188,799,669	726,734
Other taxation and social security	5,743	3,202
Other creditors	2,137	2,136
Accruals and deferred income	130,306	30,901
	<u>188,995,374</u>	<u>781,267</u>

**10. Commitments under operating leases**

At 31 December 2017 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
<b>Land and buildings</b>		
Not later than 1 year	103,938	103,938
Later than 1 year and not later than 5 years	415,752	415,752
Later than 5 years	337,799	441,737
	<u>857,489</u>	<u>961,427</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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**11. Related party transactions**

During the year, Diana Capital GmbH, the parent company loaned Diana Capital UK Limited, a total of £1,097,816 (2016: £726,734), which is included within amounts owed to group undertakings.

On 31 December 2017, Diana Capital GmbH transferred their investment portfolio under a sale and purchase agreement to Diana Capital UK Limited for £187,678,000, which is also included in amounts owed to group undertakings. At 31 December 2017, Diana Capital UK Limited owed Diana Capital GmbH a total of £188,799,669 (2016: £726,734). In the year, this loan incurred interest of £27,534 (2016: £4,847) and is repayable on demand.

**12. Deferred taxation**

At the year end the company had a deferred tax asset of £67,355 (2016: £116,515). This has not been brought into the financial statements as at 31 December 2017 due to the uncertainty of when the asset may be realised.

**13. Ultimate parent entity**

Throughout the year ended 31 December 2017 and the prior period, the ultimate parent entity was Diana Capital GmbH.