

Company Registration No. 11321701 (England and Wales)

REVCAP (NBKC) II LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

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REVCAP (NBKC) II LIMITED

COMPANY INFORMATION

Directors	W J Killick A J Pettit N A West
Secretary	R B Mitchell
Company number	11321701
Registered office	Second Floor 60 Charlotte Street London W1T 2NU
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

REVCAP (NBKC) II LIMITED

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REVCAP (NBKC) II LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2021

The directors present their annual report and financial statements for the year ended 30 April 2021.

Principal activities

The principal activity of the company continued to be that of property investment.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

W J Killick

A J Pettit

N A West

Auditor

The auditor, UHY Hacker Young, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

REVCAP (NBKC) II LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Covid-19 & going concern

COVID 19 is an ongoing situation and as of the date of signing, the assessment of this situation will need continued attention as it evolves over time. The directors do not underestimate the seriousness of the issue and the inevitable effect it will have on the global economy and many businesses across the world. In line with most experts, the directors believe that the impact of the virus outbreak will be material on the general economy and some central banks have already started to act by reducing interest rates and taking other measures. Undoubtedly, this will have implications for the operations of the company, but the rapid development and fluidity of the COVID 19 situation makes it difficult to predict the ultimate impact, if any, at this stage. In the view of the directors, the longer term effects of COVID 19 is considered to be a non-adjusting post balance sheet event and no adjustment has been made in the financial statements as a result.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board



R B Mitchell
Secretary

25 April 2022

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF REVCAP (NBKC) II LIMITED**

Opinion

We have audited the financial statements of Revcap (NBKC) II Limited (the 'company') for the year ended 30 April 2021 which comprise the profit and loss account, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 April 2021 and of 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF REVCAP (NBKC) II LIMITED

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF REVCAP (NBKC) II LIMITED

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated income and profit.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports, including review of correspondence with legal advisors, enquiries of management and review of reports in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

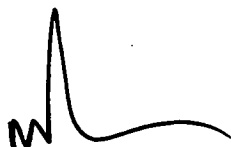
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF REVCAP (NBKC) II LIMITED

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.



Marc Waterman (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young

25 April 2022

Chartered Accountants
Statutory Auditor

REVCAP (NBKC) II LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30 APRIL 2021**

		2021	2020
	Notes	€	€
Administrative expenses		(4,819)	(4,276)
Share of results of associates and joint ventures		139,708	460,274
Interest payable and similar expenses		(3,831,180)	(2,140,010)
Amounts written off investments	3	3,733,570	2,059,981
Profit before taxation		37,279	375,969
Tax on profit		-	-
Profit for the financial year		37,279	375,969

REVCAP (NBKC) II LIMITED**BALANCE SHEET****AS AT 30 APRIL 2021**

	Notes	2021 €	€	2020 €	€
Fixed assets					
Investments	4	15,441,306		12,217,159	
Current assets		-		-	
Creditors: amounts falling due within one year	5	(12,249,370)		(9,591,768)	
Net current liabilities		(12,249,370)		(9,591,768)	
Total assets less current liabilities		3,191,936		2,625,391	
Creditors: amounts falling due after more than one year	6	(3,135,655)		(2,606,389)	
Net assets		56,281		19,002	
Capital and reserves					
Called up share capital	7	114		114	
Profit and loss reserves		56,167		18,888	
Total equity		56,281		19,002	

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

The financial statements were approved by the board of directors and authorised for issue on 25 April 2022 and are signed on its behalf by:



A J Pettit
Director

Company Registration No. 11321701

REVCAP (NBKC) II LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

Company information

Revcap (NBKC) II Limited is a private company limited by shares incorporated in England and Wales. The registered office is Second Floor, 60 Charlotte Street, London, W1T 2NU.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

COVID 19 is an ongoing situation and as of the date of signing, the assessment of this situation will need continued attention as it evolves over time. The directors do not underestimate the seriousness of the issue and the inevitable effect it will have on the global economy and many businesses across the world. In line with most experts, the directors believe that the impact of the virus outbreak will be material on the general economy and some central banks have already started to act by reducing interest rates and taking other measures. Undoubtedly, this will have implications for the operations of the company, but the rapid development and fluidity of the COVID 19 situation makes it difficult to predict the ultimate impact, if any, at this stage. In the view of the directors, the longer term effects of COVID 19 is considered to be a non-adjusting post balance sheet event and no adjustment has been made in the financial statements as a result.

The financial statements have been prepared on a going concern basis as in the directors' opinion the predicted future cash flows from the group's joint venture investments and funds available under the group loan facilities will be sufficient to meet the company's liabilities as they fall due.

1.3 Fixed asset investments

Investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Investments in limited liability partnerships are measured at fair value, the basis of which are the latest consolidated management accounts as those financial statements are prepared on a net asset value basis.

REVCAP (NBKC) II LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

1.4 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

REVCAP (NBKC) II LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Foreign exchange

Transactions in currencies other than Euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.8 Investment income

The company's share of the profits and losses of its joint venture investments in limited liability partnerships (LLPs) and partnerships accrue to the limited liability partnership, and are therefore included in the profit and loss account, as they arise. This accrued income is regarded as an additional investment and is therefore included in the balance sheet as additional loans to the respective joint ventures.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	-	-

3 Amounts written off investments

	2021 €	2020 €
Fair value gains/(losses)		
Change in value of financial assets held at fair value through profit or loss	3,733,570	2,059,981

REVCAP (NBKC) II LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

4 Fixed asset investments

	2021 €	2020 €
Investments	21,500	21,500
Loans	15,419,806	12,195,659
	<u>15,441,306</u>	<u>12,217,159</u>

Movements in fixed asset investments

	Investments in joint ventures €	Loans to joint ventures €	Total €
Cost or valuation			
At 1 May 2020	21,500	12,195,659	12,217,159
Valuation changes	-	3,733,570	3,733,570
Receipts from limited partnership investments	-	(649,131)	(649,131)
Share of JV profit and loss	-	139,708	139,708
At 30 April 2021	<u>21,500</u>	<u>15,419,806</u>	<u>15,441,306</u>
Carrying amount			
At 30 April 2021	<u>21,500</u>	<u>15,419,806</u>	<u>15,441,306</u>
At 30 April 2020	<u>21,500</u>	<u>12,195,659</u>	<u>12,217,159</u>

The company holds 11.321% of the equity capital of Whitehawk Partners 2A LLP and 11.321% of the equity share capital of Whitehawk Partners 2B LLP. Both limited liability partnerships are incorporated in England and Wales. The joint ventures are managed jointly through management boards on which other joint venture partners are represented in accordance with their respective interests in the joint ventures.

The investment in the limited liability partnership has been measured at fair value, the basis of which was the company's share of the group net assets taken from the limited liability partnership's consolidated management accounts for the period ended 31 March 2021 as they were prepared on a net asset value basis.

REVCAP (NBKC) II LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2021****5 Creditors: amounts falling due within one year**

	2021 €	2020 €
Amounts owed to group undertakings	1,784,740	4,001,195
Other creditors	10,464,630	5,590,573
	<u>12,249,370</u>	<u>9,591,768</u>

6 Creditors: amounts falling due after more than one year

	2021 €	2020 €
Other creditors	<u>3,135,655</u>	<u>2,606,389</u>

7 Called up share capital

	2021 €	2020 €
Issued and fully paid		
100 Ordinary shares of £1 each	<u>114</u>	<u>114</u>

8 Related party transactions

The company has a profit participating loan facility from SH IV Funding I Limited. SH IV Funding I Limited is a subsidiary of Sparrowhawk Capital Partners IV LP, which is a joint venture of Revcap (SH IV) Limited, a fellow subsidiary of the company. During the period profit participating interest of €3,690,655 (2020: €1,869,882.18) was charged and the amount of €10,460,149 (2020: €5,586,431) was outstanding at the balance sheet date and is included within short term liabilities.

The company has a senior loan facility with SH IV Lending 802 Sarl. SH IV Lending 802 Sarl is a subsidiary of Sparrowhawk Capital Partners IV LP, which is a joint venture of Revcap (SH IV) Limited, a fellow subsidiary of the company. During the period interest of €140,525 (2020: - €270,128) was paid and the amount of €3,135,655 (2020: €2,606,389) remains outstanding and is included within long term liabilities.

9 Parent company

The immediate parent is Revcap (NBKC) Holdings Limited and the ultimate parent is Real Estate Venture Capital Partners LLP. This limited liability partnership is registered in England and Wales. Real Estate Venture Capital Partners LLP prepares group financial statements and copies can be obtained from Companies House.