

BEAUREGARDE HOLDINGS LLP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
PAGES FOR FILING WITH REGISTRAR



BEAUREGARDE HOLDINGS LLP

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BEAUREGARDE HOLDINGS LLP

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 \$	\$	2017 \$	\$
Fixed assets					
Investments	3	11,383,786		44,471,467	
Current assets					
Debtors	4	-		16,070,727	
Cash at bank and in hand		91,633		381,761	
		<u>91,633</u>		<u>16,452,488</u>	
Creditors: amounts falling due within one year	5	<u>(8,342,210)</u>		<u>(55,374,250)</u>	
Net current liabilities		<u>(8,250,577)</u>		<u>(38,921,762)</u>	
Total assets less current liabilities and net assets attributable to members		<u>3,133,209</u>		<u>5,549,705</u>	
Represented by:					
Loans and other debts due to members within one year					
Amounts due in respect of profits		3,132,209		5,548,705	
Members' other interests					
Members' capital classified as equity		1,000		1,000	
		<u>3,133,209</u>		<u>5,549,705</u>	
Total members' interests					
Loans and other debts due to members		3,132,209		5,548,705	
Members' other interests		1,000		1,000	
		<u>3,133,209</u>		<u>5,549,705</u>	

The members of the limited liability partnership have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to limited liability partnerships subject to the small limited liability partnerships regime.

BEAUREGARDE HOLDINGS LLP

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2018

The financial statements were approved by the members and authorised for issue on 20 September 2019 and are signed on their behalf by:



VR Global Partners, L.P.
Designated member

Limited Liability Partnership Registration No. OC399474

BEAUREGARDE HOLDINGS LLP

RECONCILIATION OF MEMBERS' INTERESTS

FOR THE YEAR ENDED 31 DECEMBER 2018

Current financial year	EQUITY		DEBT		TOTAL
	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors		MEMBERS' INTERESTS
	Members' capital (classified as equity)	Total	Other amounts	Total	Total
	\$	\$	\$	\$	2018
Amounts due to members			5,548,705		
Members' interests at 1 January 2018	1,000	1,000	5,548,705	5,548,705	5,549,705
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	-	14,422,545	14,422,545	14,422,545
Result for the financial year available for discretionary division among members	-	-	-	-	-
Members' interests after loss and remuneration for the year	1,000	1,000	19,971,250	19,971,250	19,972,250
Drawings	-	-	(16,839,041)	(16,839,041)	(16,839,041)
Members' interests at 31 December 2018	1,000	1,000	3,132,209	3,132,209	3,133,209

BEAUREGARDE HOLDINGS LLP

RECONCILIATION OF MEMBERS' INTERESTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

Prior financial year	EQUITY		DEBT		TOTAL
	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors		MEMBERS' INTERESTS
	Members' capital (classified as equity)	Total	Other amounts	Total	Total 2017
	\$	\$	\$	\$	\$
Amounts due to members			177,746		
Members' interests at 1 January 2017	1,000	1,000	177,746	177,746	178,746
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	-	5,370,959	5,370,959	5,370,959
Result for the financial year available for discretionary division among members	-	-	-	-	-
Members' interests after loss and remuneration for the year	1,000	1,000	5,548,705	5,548,705	5,549,705
Members' interests at 31 December 2017	1,000	1,000	5,548,705	5,548,705	5,549,705

BEAUREGARDE HOLDINGS LLP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Limited liability partnership information

Beauregarde Holdings LLP is a limited liability partnership incorporated in England and Wales. The registered office is 1st Floor, 236 Gray's Inn Road, London, WC1X 8HB. The principal place of business is 51 Holland Street, first Floor, Suite 111, London, W8 7JB.

The limited liability partnerships' principal activities are disclosed in the Members' Report.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in January 2017, together 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 US\$, which is the functional currency of the limited liability partnership. Monetary amounts in these financial statements are rounded to the nearest \$. The exchange rate with UK£ at the period end was US\$1:UK£0.7851 (2017: US\$1:UK£0.7411).

The financial statements, which are those of Beauregarde Holdings LLP as an individual entity, have been prepared on the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the members have a reasonable expectation that the limited liability partnership has adequate resources to continue in operational existence for at least one year from the signing of these financial statements. Thus the members continue to adopt the going concern basis of accounting in preparing the financial statements.

The members have considered the potential implications of the different scenarios around the present negotiations for the UK to leave the EU ("Brexit") and consider there is no material risk to the business under any likely outcome of the Brexit process.

BEAUREGARDE HOLDINGS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

1.3 Members' participating interests

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Where there exists an asset and liability component in respect of an individual member's participation rights, they are presented on a gross basis unless the LLP has both a legally enforceable right to set off the recognised amounts, and it intends either to settle on a net basis or to settle and realise these amounts simultaneously, in which case they are presented net.

1.4 Investments

Fixed asset investments

Interests in subsidiaries where such interests represent holding vehicles for underlying investments are initially measured at cost and thereafter at fair value which will represent the value of the underlying investments. The investments are assessed at each reporting date and fair value gains or losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the limited liability partnership. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Other investments

Other investments are initially measured at fair value, which is normally the transaction price. Such assets, where not publicly traded, are subsequently measured at fair value based on available information and observable inputs.

1.5 Debtors and creditors

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans and other debtors 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.

Creditors

Short term trade creditors and other current creditors payable on demand 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.

1.6 Investment income

Investment income is recognised at fair value once the right to consideration is obtained under the contractual arrangements and reduced by any required discount for the risk of default.

BEAUREGARDE HOLDINGS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

1.7 Members' remuneration and equity

The treatment of members' remuneration in the profit and loss account is determined by reference to the nature of the participation rights that give rise to the remuneration. If the members' remuneration gives rise to a liability it is charged as an expense. Amounts subscribed or otherwise contributed by members are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity capital. Equity capital is any capital that is repayable to the member only at the discretion of the limited liability partnership.

2 Employees

The average number of persons (excluding members) employed by the partnership during the year was 0 (2017 - 0).

3 Investments

	2018 \$	2017 \$
Investments	11,383,786	44,471,467

Investments comprise distressed debt purchased at below par value. The amount recoverable from the investments and the timing of any receipts is dependent on matters substantially outside of the control of the Limited Liability Partnership and external events could lead to a complete loss of the investment. There is no active market for such investments and accordingly the extent to which further adjustment is required is based on the members best assessment of anticipated future cash flows which are inherently uncertain.

Movements in fixed asset investments

	Shares in group undertakings \$	Other investments \$	Total \$
Cost or valuation			
At 1 January 2018	1,904,901	42,566,566	44,471,467
Additions	4,350,000	5,777,136	10,127,136
Valuation changes	(573,071)	1,518,302	945,231
Disposals	-	(44,160,048)	(44,160,048)
At 31 December 2018	5,681,830	5,701,956	11,383,786
Carrying amount			
At 31 December 2018	5,681,830	5,701,956	11,383,786
At 31 December 2017	1,904,901	42,566,566	44,471,467

BEAUREGARDE HOLDINGS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

4 Debtors

	2018	2017
	\$	\$
Amounts falling due within one year:		
Trade debtors	-	12,503,750
Amounts owed by group undertakings	-	3,566,977
	<u>-</u>	<u>16,070,727</u>

5 Creditors: amounts falling due within one year

	2018	2017
	\$	\$
Trade creditors	4,124,400	55,371,750
Amounts owed to group undertakings	4,217,810	-
Other creditors	-	2,500
	<u>8,342,210</u>	<u>55,374,250</u>

6 Loans and other debts due to members

In the event of a winding up the amounts included in "Loans and other debts due to members" will rank equally with unsecured creditors.

7 Related party transactions

The company has taken advantage of the exemption from disclosing transactions with members within a wholly owned group.

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Emphasis of matter

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in Note 3 to the financial statements concerning the amount at which investments are stated. There are inherent uncertainties in arriving at the realisable value of investments and this has been based on the members' best assessment of fair value using available information and observable inputs. The value at which the investments will ultimately be realised cannot presently be determined, and no further adjustment that might ultimately be required has been made in these financial statements.

The senior statutory auditor was Andrew Grieve FCA.

The auditor was Frank Hirth & Co LLP.