

Registered number: 10244316

**2R Capital Limited**  
**Report And Financial Statements**  
**INFORMATION FOR FILING WITH THE REGISTRAR**  
*31 December 2017.*

Rees Pollock  
Chartered Accountants

TUESDAY



\*L7F75KF5\*  
LD6 25/09/2018 #101  
COMPANIES HOUSE

**CONSOLIDATED BALANCE SHEET**  
**As at 31 December 2017**


	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible assets		59,819	21,287
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	5,247,594	7,821,586
Current asset investments		495,936	574,538
Cash at bank and in hand	10	15,929,227	14,883,016
		<u>21,672,757</u>	<u>23,279,140</u>
Creditors: amounts falling due within one year		<u>(5,085,679)</u>	<u>(6,352,468)</u>
<b>Net current assets</b>		<b>16,587,078</b>	<b>16,926,672</b>
<b>Total assets less current liabilities</b>		<b>16,646,897</b>	<b>16,947,959</b>
Creditors: amounts falling due after more than one year		<u>(11,317,237)</u>	<u>(16,814,769)</u>
<b>Net assets</b>		<b>5,329,660</b>	<b>133,190</b>
<b>Capital and reserves</b>			
Called up share capital		50,100	50,100
Profit and loss account		5,279,560	83,090
		<u>5,329,660</u>	<u>133,190</u>

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 consolidated statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 May 2018.

  
Massimo Acquaviva  
Director

The notes on pages 3 to 10 form part of these financial statements.

**COMPANY BALANCE SHEET**  
**As at 31 December 2017**

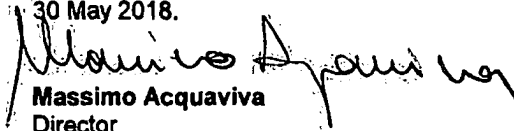
	Note	2017 £	2016 £
<b>Fixed assets</b>			
Investments	7	1,715,983	304,498
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	8	10,390,637	-
Debtors: amounts falling due within one year	8	7,443	55,397
Cash at bank and in hand	10	1,536,585	1,719
		<u>11,934,665</u>	<u>57,116</u>
Creditors: amounts falling due within one year	11	(771,233)	(307,420)
<b>Net current assets/(liabilities)</b>		<b>11,163,432</b>	<b>(250,304)</b>
Creditors: amounts falling due after more than one year	12	(11,317,237)	-
<b>Net assets</b>		<u><u>1,562,178</u></u>	<u><u>54,194</u></u>
<b>Capital and reserves</b>			
Called up share capital		50,100	50,100
Profit and loss account brought forward		4,094	-
Profit for the year		1,507,984	4,094
<b>Profit and loss account carried forward</b>		<u><u>1,512,078</u></u>	<u><u>4,094</u></u>
		<u><u>1,562,178</u></u>	<u><u>54,194</u></u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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Massimo Acquaviva  
Director

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**NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended 31 December 2017**

**1. General information**

2R Capital Limited is a private company limited by shares, incorporated in the UK and registered in England and Wales.

The company's registered address is Berkeley Square House, Berkeley Square, London W1J 6BD.

The principal activity of the company during the year was that of a holding company. The principal activity of the group during the year was that of investment.

**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 Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

**2.2 Basis of consolidation**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

**2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**2.4 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 December 2017**

**2. Accounting policies (continued)**

**2.5 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:

Office equipment	- 3 years
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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 Consolidated Statement of comprehensive income.

**2.6 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Other investments are measured at fair value.

**2.7 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.

**2.8 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.9 Financial instruments**

Basic financial assets and liabilities are initially measured at transaction price. Such assets and liabilities are subsequently carried at amortised cost using the effective interest rate method. At the end of each reporting period financial assets measured at amortised cost are assessed for evidence of impairment and any impairment losses are recognised in the consolidated statement of comprehensive income.

Non-basic financial instruments are measured at fair value.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 December 2017**

**2. Accounting policies (continued)**

**2.10 Foreign currency translation**

The Group's functional and presentational currency is the pound sterling.

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 Consolidated statement of comprehensive income 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 Consolidated Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**2.11 Finance costs**

Finance costs are charged to the consolidated statement of comprehensive income 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.

**2.12 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to the consolidated statement of comprehensive income on a straight line basis over the lease term.

**2.13 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the consolidated statement of comprehensive income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 December 2017**

**2. Accounting policies (continued)**

**2.14 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

In applying the Group's accounting policies, the directors have been required to estimate the market values of the Group's illiquid non-basic financial instruments. These instruments include participation rights in bankruptcy proceedings and bonds on which the interest payable is calculated based on the amounts recovered in relation to those participation rights. The directors have concluded that, except where there is persuasive evidence otherwise, that cost is the best estimate of fair value of the participation rights and that the fair value of the bonds is best estimated through an analysis of the values of and recoveries from the underlying investments.

**4. Other finance income**

During the year, the Group agreed new terms with the holders of the bonds issued in earlier years. As a result of the arrangement, an accrual of £2,526,590 was released to the profit and loss account.

**5. Employees**

The average monthly number of employees, including directors, during the year was 4 (2016 - 4).

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 December 2017**

**6. Tangible fixed assets**

**Group**

	<b>Office equipment £</b>
<b>Cost or valuation</b>	
At 1 January 2017	69,740
Additions	44,947
At 31 December 2017	<u>114,687</u>
<b>Depreciation</b>	
At 1 January 2017	48,453
Charge for the year on owned assets	6,415
At 31 December 2017	<u>54,868</u>
<b>Net book value</b>	
At 31 December 2017	<u>59,819</u>
At 31 December 2016	<u>21,287</u>



**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 December 2017**
**7. Fixed asset investments****Company**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2017	304,498
Additions	1,715,983
Disposals	(304,498)
At 31 December 2017	<u>1,715,983</u>
<b>Net book value</b>	
At 31 December 2017	<u>1,715,983</u>
At 31 December 2016	<u>304,498</u>

**8. Debtors**

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade debtors	1,405,945	1,522,133	-	-
Amounts owed by group undertakings	7,305	6,875	-	-
Other debtors	3,571,091	6,272,806	6,587	55,239
Prepayments and accrued income	20,980	5,641	856	158
Deferred taxation	242,273	14,131	-	-
	<u>5,247,594</u>	<u>7,821,586</u>	<u>7,443</u>	<u>55,397</u>

**9. Current asset investments**

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Unlisted investments	495,936	574,538	-	-

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 December 2017**
**10. Cash and cash equivalents**

	<b>Group</b> <b>2017</b> £	<b>Group</b> <b>2016</b> £	<b>Company</b> <b>2017</b> £	<b>Company</b> <b>2016</b> £
Cash at bank and in hand	<b>15,929,227</b>	<b>14,883,016</b>	<b>1,536,585</b>	<b>1,719</b>

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

	<b>Group</b> <b>2017</b> £	<b>Group</b> <b>2016</b> £	<b>Company</b> <b>2017</b> £	<b>Company</b> <b>2016</b> £
Bank loans	<b>1,599,975</b>	<b>1,705,208</b>	-	-
Accrued interest on bonds	<b>382,830</b>	<b>2,386,258</b>	<b>382,830</b>	-
Trade creditors	<b>859,589</b>	<b>439,841</b>	<b>5,398</b>	<b>6,691</b>
Corporation tax	<b>782,128</b>	<b>479,550</b>	-	-
Other taxation and social security	<b>8,982</b>	<b>48,085</b>	<b>1,546</b>	-
Other creditors	<b>1,435,018</b>	<b>1,286,612</b>	<b>364,302</b>	<b>297,227</b>
Accruals and deferred income	<b>17,157</b>	<b>6,914</b>	<b>17,157</b>	<b>3,502</b>
	<b>5,085,679</b>	<b>6,352,468</b>	<b>771,233</b>	<b>307,420</b>

**12. Creditors: Amounts falling due after more than one year**

	<b>Group</b> <b>2017</b> £	<b>Group</b> <b>2016</b> £	<b>Company</b> <b>2017</b> £	<b>Company</b> <b>2016</b> £
Bonds	<b>11,317,237</b>	<b>14,288,179</b>	<b>11,317,237</b>	-
Accruals and deferred income	-	<b>2,526,590</b>	-	-

**13. Deferred taxation****Group**

	<b>2017</b> £
At beginning of year	<b>14,131</b>
Charged to the profit and loss	<b>228,142</b>
<b>At end of year</b>	<b>242,273</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended 31 December 2017**

**13. Deferred taxation (continued)**

**At end of year**

	<b>Group 2017 £</b>	<b>Group 2016 £</b>
Timing differences on investments	<b>242,273</b>	<b>14,131</b>

**14. Auditors' information**

The auditors' report on the financial statements for the year ended 31 December 2017 was unqualified.

The audit report was signed on 30 May 2018 by Philip Vipond (Senior Statutory Auditor) on behalf of Rees Pollock.