

REGISTERED NUMBER: 08296424 (England and Wales)

DIRECTORS' REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017
FOR
EASTCREEK LIMITED



Jordans Accounting Services
First Floor, Templeback
10 Temple back
Bristol
BS1 6FL

EASTCREEK LIMITED (REGISTERED NUMBER: 08296424)

CONTENTS OF THE FINANCIAL STATEMENTS
for the Year Ended 31 DECEMBER 2017

| | Page |
|------------------------------------------------------------|------|
| Company Information | 1 |
| Directors' Report | 2 |
| Report of the Accountants | 3 |
| Statement of Profit or Loss and Other Comprehensive Income | 4 |
| Statement of Financial Position | 5 |
| Statement of Changes in Equity | 6 |
| Statement of Cash Flows | 7 |
| Notes to the Statement of Cash Flows | 8 |
| Notes to the Financial Statements | 9 |

EASTCREEK LIMITED
COMPANY INFORMATION
for the Year Ended 31 DECEMBER 2017

DIRECTORS: Mr E Bertaggia
Mr A De Micheli
Mr N Sacco

SECRETARY: Jordan Cosec Limited

REGISTERED OFFICE: Suite 1, 3rd Floor
11-12 St James's Square
London
SW1Y 4LB

REGISTERED NUMBER: 08296424 (England and Wales)

ACCOUNTANTS: Jordans Accounting Services
First Floor, Templeback
10 Temple back
Bristol
BS1 6FL

EASTCREEK LIMITED (REGISTERED NUMBER: 08296424)

DIRECTORS' REPORT
for the Year Ended 31 DECEMBER 2017

The directors present their report with the financial statements of the company for the year ended 31 December 2017.

PRINCIPAL ACTIVITY

The principal activity of the company was to hold shares in US companies that operate a racing circuit in Las Vegas.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2017.

DIRECTORS

The directors who have held office during the period from 1 January 2017 to the date of this report are as follows:

Mr E Bertaggia - appointed 6 April 2017

Mr A De Micheli - appointed 6 April 2017

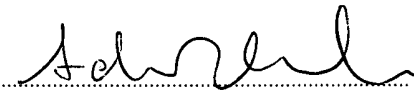
Mr N Sacco - appointed 6 April 2017

Ms A Ramirez - resigned 6 April 2017

Mr N Sacco - appointed 6 April 2017 - resigned 15 July 2017

C.L. Directors (Monaco) Limited - resigned 6 April 2017

ON BEHALF OF THE BOARD:



Mr A De Micheli - Director

Date: 9/19/2018

EASTCREEK LIMITED

REPORT OF THE ACCOUNTANTS TO THE DIRECTORS OF
EASTCREEK LIMITED

As described on the Statement of Financial Position you are responsible for the preparation of the financial statements for the year ended 31 December 2017 set out on pages four to twelve and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Jordans Accounting Services

Jordans Accounting Services
First Floor, Templeback
10 Temple back
Bristol
BS1 6FL

Date: 26/2/18

EASTCREEK LIMITED (REGISTERED NUMBER: 08296424)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the Year Ended 31 DECEMBER 2017

| | Notes | 31/12/17 £ | 31/12/16 £ |
|----------------------------------------------|-------|-----------------------|------------------------|
| CONTINUING OPERATIONS | | | |
| Revenue | | - | - |
| Administrative expenses | | (5,532) | (26,208) |
| OPERATING LOSS | | <u>(5,532)</u> | <u>(26,208)</u> |
| LOSS BEFORE INCOME TAX | 4 | (5,532) | (26,208) |
| Income tax | 5 | - | - |
| LOSS FOR THE YEAR | | <u>(5,532)</u> | <u>(26,208)</u> |
| OTHER COMPREHENSIVE INCOME | | - | - |
| TOTAL COMPREHENSIVE LOSS FOR THE YEAR | | <u><u>(5,532)</u></u> | <u><u>(26,208)</u></u> |

The notes form part of these financial statements

EASTCREEK LIMITED (REGISTERED NUMBER: 08296424)

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2017

| | Notes | 31/12/17 £ | 31/12/16 £ |
|-------------------------------------|-------|-------------------------|-------------------------|
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Investments | 6 | <u>2,249,767</u> | <u>2,249,767</u> |
| CURRENT ASSETS | | | |
| Trade and other receivables | 7 | 9 | 9 |
| Cash and cash equivalents | 8 | <u>451</u> | <u>2,331</u> |
| | | <u>460</u> | <u>2,340</u> |
| TOTAL ASSETS | | <u><u>2,250,227</u></u> | <u><u>2,252,107</u></u> |
| EQUITY | | | |
| SHAREHOLDERS' EQUITY | | | |
| Called up share capital | 9 | 9 | 9 |
| Retained earnings | 10 | <u>(2,976,469)</u> | <u>(2,970,937)</u> |
| TOTAL EQUITY | | <u>(2,976,460)</u> | <u>(2,970,928)</u> |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 11 | <u>5,226,687</u> | <u>5,223,035</u> |
| TOTAL LIABILITIES | | <u>5,226,687</u> | <u>5,223,035</u> |
| TOTAL EQUITY AND LIABILITIES | | <u><u>2,250,227</u></u> | <u><u>2,252,107</u></u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2017 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements were approved by the Board of Directors on 9/18/18 and were signed on its behalf by:


.....
Mr E Bertaggia - Director

The notes form part of these financial statements

EASTCREEK LIMITED (REGISTERED NUMBER: 08296424)

STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 DECEMBER 2017

| | Called up share capital £ | Retained earnings £ | Total equity £ |
|------------------------------------|------------------------------------|---------------------------|----------------------|
| Balance at 1 January 2016 | 1 | (2,944,729) | (2,944,728) |
| Changes in equity | | | |
| Issue of share capital | 8 | - | 8 |
| Total comprehensive loss | - | (26,208) | (26,208) |
| Balance at 31 December 2016 | <u>9</u> | <u>(2,970,937)</u> | <u>(2,970,928)</u> |
| Changes in equity | | | |
| Total comprehensive loss | - | (5,532) | (5,532) |
| Balance at 31 December 2017 | <u>9</u> | <u>(2,976,469)</u> | <u>(2,976,460)</u> |

The notes form part of these financial statements

EASTCREEK LIMITED (REGISTERED NUMBER: 08296424)

STATEMENT OF CASH FLOWS
for the Year Ended 31 DECEMBER 2017

| | | 31/12/17 | 31/12/16 |
|---------------------------------------------------------|---|----------------|--------------|
| | | £ | £ |
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | (1,880) | 1,635 |
| Net cash from operating activities | | <u>(1,880)</u> | <u>1,635</u> |
| Cash flows from financing activities | | | |
| Share issue | | - | 8 |
| Net cash from financing activities | | <u>-</u> | <u>8</u> |
| (Decrease)/increase in cash and cash equivalents | | | |
| Cash and cash equivalents at beginning of year | 2 | 2,331 | 688 |
| Cash and cash equivalents at end of year | 2 | <u>451</u> | <u>2,331</u> |

The notes form part of these financial statements

EASTCREEK LIMITED (REGISTERED NUMBER: 08296424)

NOTES TO THE STATEMENT OF CASH FLOWS
for the Year Ended 31 DECEMBER 2017

1. **RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS**

| | 31/12/17 | 31/12/16 |
|-----------------------------------------|-------------------|-------------------|
| | £ | £ |
| Loss before income tax | (5,532) | (26,208) |
| Increase in trade and other receivables | - | (8) |
| Increase in trade and other payables | 3,652 | 27,851 |
| | <u> </u> | <u> </u> |
| Cash generated from operations | <u>(1,880)</u> | <u>1,635</u> |

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2017

| | 31/12/17 | 1/1/17 |
|---------------------------|-------------------|-------------------|
| | £ | £ |
| Cash and cash equivalents | 451 | 2,331 |
| | <u> </u> | <u> </u> |

Year ended 31 December 2016

| | 31/12/16 | 1/1/16 |
|---------------------------|-------------------|-------------------|
| | £ | £ |
| Cash and cash equivalents | 2,331 | 688 |
| | <u> </u> | <u> </u> |

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 DECEMBER 2017

1. **STATUTORY INFORMATION**

Eastcreek Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 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.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities

Basic financial liabilities, including creditors, and loans from fellow group companies are initially recognised at transaction price.

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 initially recognised at transaction price.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Foreign currencies

Functional and presentation currency

(i) Items included in the financial statements are measured in the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Sterling, which is the Company's presentational currency.

Transactions and balances

(ii) Transactions in currencies other than Sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At each Balance Sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the Balance Sheet date. Non-monetary assets and liabilities that are carried at fair value and denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in net profit or loss for the year, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2017

2. **ACCOUNTING POLICIES - continued**

Revenue recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably.

Expenses

All expenses are accounted for on an accrual basis.

Operating profit

Operating profit includes revenue received, as reduced by operating expense and administrative expenses and excludes finance costs, finance income and other gains and losses.

Borrowing costs

All borrowing costs are recognised in the income statement in the period in which they are incurred.

Critical Accounting Estimates and Judgements

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors. The resulting accounting estimates will, by definition, seldom equal the related actual results.

3. **EMPLOYEES AND DIRECTORS**

| | 31/12/17 | 31/12/16 |
|--------------------|-------------------|-------------------|
| | £ | £ |
| Wages and salaries | - | 1,121 |
| | <u> </u> | <u> </u> |

The average number of employees during the year was as follows:

| | 31/12/17 | 31/12/16 |
|-----------|-------------------|-------------------|
| Employees | 1 | 1 |
| | <u> </u> | <u> </u> |

| | 31/12/17 | 31/12/16 |
|-------------------------|-------------------|-------------------|
| | £ | £ |
| Directors' remuneration | - | 1,121 |
| | <u> </u> | <u> </u> |

4. **LOSS BEFORE INCOME TAX**

The loss before income tax is stated after charging/(crediting):

| | 31/12/17 | 31/12/16 |
|------------------------------|-------------------|-------------------|
| | £ | £ |
| Foreign exchange differences | (92) | - |
| | <u> </u> | <u> </u> |

5. **INCOME TAX**

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2017 nor for the year ended 31 December 2016.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2017

6. INVESTMENTS

| | Unlisted investments £ |
|-------------------------------------------|------------------------------|
| COST | |
| At 1 January 2017 and 31 December 2017 | <u>2,249,767</u> |
| NET BOOK VALUE | |
| At 31 December 2017 | <u>2,249,767</u> |
| At 31 December 2016 | <u>2,249,767</u> |

By means of a Membership Transfer Agreement dated 11th March 2014, the company acquired the ownership of the entities listed below, and was assigned the benefit of the repayment of a capital contribution for 5,998,000 USD.

In exercise of a right of recourse under a loan agreement dated 12th August 2014, on 13th October 2015 the Company claimed the repayment of a loan of 2,000,000 USD from XR Services LLC. Said loan is currently guaranteed by the Company.

Investments in entities: XR Leasing, XR Cars, XR Services and XR Racing.

7. TRADE AND OTHER RECEIVABLES

| | 31/12/17 £ | 31/12/16 £ |
|---------------|---------------|---------------|
| Current: | | |
| Other debtors | <u>9</u> | <u>9</u> |

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash at bank.

9. CALLED UP SHARE CAPITAL

| Allotted, issued and fully paid: | | | 31/12/17 | 31/12/16 |
|----------------------------------|----------|-------------------|----------|----------|
| Number: | Class: | Nominal value: | £ | £ |
| 9 | Ordinary | £1 | <u>9</u> | <u>9</u> |

10. RESERVES

| | Retained earnings £ |
|----------------------|---------------------------|
| At 1 January 2017 | (2,970,937) |
| Deficit for the year | <u>(5,532)</u> |
| At 31 December 2017 | <u>(2,976,469)</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 DECEMBER 2017

11. **TRADE AND OTHER PAYABLES**

| | 31/12/17 | 31/12/16 |
|------------------|------------------|------------------|
| | £ | £ |
| Current: | | |
| Trade creditors | 4,793 | 10,780 |
| Other creditors | 5,219,734 | 5,205,868 |
| Accrued expenses | 2,160 | 6,387 |
| | <u>5,226,687</u> | <u>5,223,035</u> |

12. **RELATED PARTY DISCLOSURES**

The company owns 100% of the entities XR Cars LLC, XR Leasing LLC, XR Services LLC and XR Racing LLC. There have been no transactions between these parties during the year.

13. **FINANCIAL RISK MANAGEMENT**

FINANCIAL RISK FACTORS

The Company is exposed to credit risk, liquidity risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

CREDIT RISK

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the balance sheet date. The Company has no significant concentration of credit risk. The Company has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history and monitors on a continuous basis the ageing profile of its receivables. Cash balances are held with high credit quality financial institutions and the Company has policies to limit the amount of credit exposure to any financial institution.

LIQUIDITY RISK

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

FOREIGN EXCHANGE RISK

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when the future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measured currency. The Company is not exposed to exchange currency risk as it is dormant.

CAPITAL RISK MANAGEMENT

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to the shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from last year.