Company Number: 6409661

ELQ INVESTORS III LTD

ANNUAL REPORT

31 DECEMBER 2015

STRATEGIC REPORT

The directors present their strategic report for the year ended 31 December 2015.

1. Introduction

ELQ Investors III Ltd (the 'company') holds debt investments.

The company's ultimate parent undertaking and controlling entity is The Goldman Sachs Group, Inc. ('Group Inc.'). Group Inc. is a bank holding company and a financial holding company regulated by the Board of Governors of the Federal Reserve System ('Federal Reserve Board'). Group Inc. together with its consolidated subsidiaries form 'the group'. The group is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and individuals.

2. Financial overview

The financial statements have been drawn up for the year ended 31 December 2015. Comparative information has been presented for the year ended 31 December 2014.

The company primarily operates in a U.S. dollar environment as part of the group. Accordingly, the company's functional currency is U.S. dollars and these financial statements have been prepared in that currency. The British pound / U.S. dollar exchange rate at the balance sheet date was £ / US$ 1.4732 (31 December 2014: £ / US$ 1.5579). The average rate for the year was £ / US$ 1.5252 (year ended 31 December 2014: £ / US$ 1.6455).

The result for the year is shown in the profit and loss account on page 7. Profit on ordinary activities before tax for the year was US$18.3 million (year ended 31 December 2014: profit of US$19.9 million). The company had total assets of US$144.1 million (31 December 2014: US$166.0 million).

3. Adoption of revised financial reporting standards

The Financial Reporting Council revised financial reporting standards in the U.K. and Republic of Ireland for accounting periods beginning on or after 1 January 2015. The revisions fundamentally reform United Kingdom Generally Accepted Accounting Practices (U.K. GAAP), replacing the previous standards (previous U.K. GAAP).

From 1 January 2015 the company transitioned from the previous U.K. GAAP to the new Financial Reporting Standard 101 (FRS 101) framework, which applies the recognition and measurement requirements of International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

All years presented in this annual report are prepared in accordance with FRS 101.

The impacts of adopting FRS 101 and consequential changes in accounting policy have been described in note 4 to the financial statements.

4. Future outlook

The directors consider that the year end financial position of the company was satisfactory and continue to review new opportunities for the future.

STRATEGIC REPORT (continued)

5. Principal risks and uncertainties

The company is exposed to financial risk through its financial assets and liabilities. Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet the most important components of financial risk the directors consider relevant to the company are credit risk, liquidity risk and market risk. The company's risk management objectives and policies, as well as its risk exposures, are disclosed in note 21 of the financial statements.

ON BEHALF OF THE BOARD

Director

Jim Wiltshire

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the year ended 31 December 2015.

1. Introduction

In accordance with section 414B of the Companies Act 2006, the directors have prepared a strategic report, which contains a review of the company's businesses and a description of the principal risks and uncertainties facing the company. The directors have chosen to make reference to the company's risk management objectives and policies, as well as exposures to credit risk, liquidity risk and market risk in the strategic report, in accordance with section 414C(11) of the Companies Act 2006, that would otherwise have been reported in the directors' report.

2. Dividends

The directors do not recommend the payment of an ordinary dividend in respect of the year ended 31 December 2015 (31 December 2014: US$38.9m).

3. Directors

The directors of the company who served throughout the year and to the date of this report, except where noted, were:

Name	Appointed	Resigned
B. Cabiallavetta		
T. Cannell		
M. Holmes		
G. P. Minson		14 April 2015
G. G. Olafson		
N. Somaiya		
J. A. Wiltshire	22 April 2015	

No director had, at the year end, any interest requiring note herein.

4. Disclosure of information to auditors

In the case of each of the persons who are directors of the company at the date when this report was approved:

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware; and
- each of the directors has taken all the steps that he / she ought to have taken as a director to make himself / herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

5. Independent auditors

The auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

REPORT OF THE DIRECTORS (continued)

6. Statement of directors' responsibilities

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company at the end of the financial period and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- 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 which disclose with reasonable accuracy at any time the financial position of the company and to 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.

7. Date of authorisation of issue

The financial statements were authorised for issue by the Board of Directors on 11 July 2016.

ON BEHALF OF THE BOARD

Director

Jim Wiltshire

Report on the financial statements

Our opinion

In our opinion, ELQ Investors III Ltd's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 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.

What we have audited

The financial statements, included within the Annual Report, comprise:

- the Balance Sheet as at 31 December 2015;
- the Profit and Loss Account for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

John Wei (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
11 July 2016

PROFIT AND LOSS ACCOUNT

for the year ended 31 DECEMBER 2015

	Note	Year Ended 31 December 2015 US$	Year Ended 31 December 2014 US$
Revenue	6	19,472,582	24,731,701
Administrative income	7	998,380	896,855
OPERATING PROFIT		20,470,962	25,628,556
Interest receivable and similar income	8	-	6,390
Interest payable and similar charges	9	(2,202,906)	(5,723,327)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		18,268,056	19,911,619
Tax on profit on ordinary activities	12	(2,098,428)	(4,708,054)
PROFIT FOR THE FINANCIAL YEAR		16,169,628	15,203,565

The operating profit of the company is derived from continuing operations in the current and prior years.

The company has no recognised gains and losses other than those included in the profit for the financial years shown above, and therefore no separate statement of other comprehensive income has been presented.

BALANCE SHEET

as at 31 DECEMBER 2015

	Note	31 December 2015 US$	31 December 2014 US$
CURRENT ASSETS			
Investments	14	-	131,048,210
Debtors	15	207,383	606,598
Cash at bank and in hand		143,892,741	34,358,118
		144,100,124	166,012,926
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	16	(18,175,014)	(14,369,410)
NET CURRENT ASSETS		125,925,110	151,643,516
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	17	(70,175,067)	(112,063,101)
NET ASSETS		55,750,043	39,580,415
CAPITAL AND RESERVES			
Called up share capital	18	32,621,356	32,621,356
Profit and loss account		23,128,687	6,959,059
TOTAL SHAREHOLDER'S FUNDS		55,750,043	39,580,415

The financial statements were approved by the Board of Directors on 11 July 2016 and signed on its behalf by:

Director

Jim Wheeler

Company number: 6409661

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2015

	Note	Called Up Share Capital US$	Profit and Loss Account US$	Total Shareholder's Funds US$
Balance at 1 January 2014		32,621,356	30,685,184	63,306,540
Profit for the financial year		-	15,203,565	15,203,565
Dividends paid	19	-	(38,929,690)	(38,929,690)
Balance at 31 December 2014		32,621,356	6,959,059	39,580,415
Profit for the financial year		-	16,169,628	16,169,628
Balance at 31 December 2015		32,621,356	23,128,687	55,750,043

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2015

1. GENERAL INFORMATION

The company is a limited liability company and is incorporated and domiciled in England and Wales. The address of its registered office is Peterborough Court, 133 Fleet Street, London, EC4A 2BB, United Kingdom.

The immediate parent undertaking is ELQ Holdings (UK) Ltd, a company incorporated and domiciled in England and Wales.

The ultimate parent undertaking and the parent company of the largest group for which consolidated financial statements are prepared is The Goldman Sachs Group, Inc., a company incorporated in the United States of America. Copies of its consolidated financial statements can be obtained from Investor Relations, 200 West Street, New York, NY 10282, United States of America.

2. ACCOUNTING POLICIES

a. Basis of preparation

For all periods up to and including the year ended 31 December 2014, the company prepared its financial statements in accordance with the previous U.K. GAAP. From 1 January 2015, the company transitioned from the previous U.K. GAAP to FRS 101. These financial statements are for the first year covered by FRS 101. All periods presented in these financial statements have been prepared in accordance with FRS 101. The impact on the company's financial statements as a result of adopting FRS 101 is described in note 4 to the financial statements.

These financial statements have been prepared on the going concern basis, under the historical cost convention (except as modified in note 2d), and in accordance with the Companies Act 2006.

The following exemptions from disclosure requirements of IFRS as adopted by the EU have been applied in the preparation of these financial statements in accordance with FRS 101:

(i) IFRS 2 'Share-based Payment' paragraph 45(b) and 46 to 52. These disclosures are provided in the consolidated financial statements of Group Inc.;

(ii) IAS 1 'Presentation of Financial Statements' paragraph 38 to present comparative information in respect of IAS 1 'Presentation of Financial Statements' paragraph 79(a)(iv);

(iii) IAS 1 'Presentation of Financial Statements' paragraphs 10(f), 16 and 40A-D;

(iv) IAS 7 'Statement of Cash Flows';

(v) IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' paragraphs 30 and 31;

(vi) IAS 24 'Related Party Disclosures' paragraph 17; and

(vii) IAS 24 'Related Party Disclosures' requirements to disclose transactions with companies also wholly owned within the group.

b. Foreign currencies

Transactions denominated in foreign currencies are translated into U.S. dollars at rates of exchange ruling on the date the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are translated into U.S. dollars at rates of exchange ruling at the balance sheet date. Foreign exchange gains and losses are recognised in operating profit.

2. ACCOUNTING POLICIES (continued)

c. Revenue recognition

Revenue has been disclosed instead of turnover as this more meaningfully reflects the nature and results of the company's activities. The revenues are derived from debt investments.

Revenue from debt investments includes accrued interest, changes in fair value, and the gains and losses on sale of investments.

d. Financial assets and liabilities

(i) Recognition and derecognition

Financial assets are recognised and derecognised using settlement date accounting. Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument. They are derecognised when the contractual rights to the cash flows from the financial asset expire or if the company transfers the financial asset and substantially all the risks and rewards of ownership of that financial asset. A financial liability is derecognised only when it is extinguished (i.e. when the obligation specified in the contract is discharged or cancelled or expires).

(ii) Classification and measurement

Financial assets comprise all of the company's current assets (with the exception of deferred tax assets) and financial liabilities comprise all of the company's creditors (with the exception of deferred tax liabilities).

The company classifies its financial assets and financial liabilities into the below categories. The classification, which is determined at initial recognition, depends on the purpose for which they were acquired or originated.

- Investments

Investments comprise debt investments, which are stated at fair value. These investments are designated at fair value as they are managed and their performance is evaluated on a fair value basis. Unrealised and realised gains or losses on the financial assets are recognised in the profit and loss account.

- Other financial assets and financial liabilities

Other financial assets and financial liabilities are initially recognised at fair value and are subsequently remeasured at amortised cost, which finance income and expense recognised on an accruals basis. All finance income and expense is recognised in the profit and loss account.

(iii) Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet where there is:

(i) currently a legally enforceable right to set off the recognised amounts; and

(ii) intent to settle on a net basis or to realise the asset and settle the liability simultaneously.

Where these conditions are not met, financial assets and financial liabilities are presented on a gross basis on the balance sheet.

e. Cash at bank and in hand

Cash at bank and in hand include cash at bank in the ordinary course of business.

2. ACCOUNTING POLICIES (continued)

f. Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account.

Current tax is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all temporary differences that have originated, but not reversed at the balance sheet date, where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future or a right to pay less tax in the future with the following exceptions:

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

- Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

g. Dividends

Final dividends are recognised as a liability and deducted from equity in the period in which the dividends are approved by the company's shareholder. Interim equity dividends are recognised and deducted from equity when paid.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in these financial statements. The nature of estimation means that actual outcomes could differ from those estimates. In the opinion of management, significant judgement has been applied in the valuation of investments which include significant unobservable inputs (see note 22).

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2015

4. FIRST-TIME ADOPTION OF FRS 101

As set out in note 2 to the financial statements, these financial statements are for the first year covered by FRS 101. The following describes the impact to the company's balance sheet and profit and loss account, as a result of adopting FRS 101 and consequential changes to accounting policies. See 'FRS 101 Reconciliation Notes' below for an explanation of each transition adjustment.

Reconciliation of the Balance Sheet

		As of 1 January 2014			As of 31 December 2014		
		Previous U.K. GAAP	Adjustments on transition	FRS 101	Previous U.K. GAAP	Adjustments on transition	FRS 101
	Note	US$	US$	US$	US$	US$	US$
CURRENT ASSETS							
Investments	A	372,919,354	4,446,822	377,366,176	130,559,407	488,803	131,048,210
Debtors		63,504,695	-	63,504,695	606,598	-	606,598
Cash at bank and in hand		39,655,044	-	39,655,044	34,358,118	-	34,358,118
		476,079,093	4,446,822	480,525,915	165,524,123	488,803	166,012,926
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	B	(20,209,968)	(944,950)	(21,154,918)	(14,271,526)	(97,884)	(14,369,410)
NET CURRENT ASSETS		455,869,125	3,501,872	459,370,997	151,252,597	390,919	151,643,516
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		(396,064,457)	-	(396,064,457)	(112,063,101)	-	(112,063,101)
NET ASSETS		59,804,668	3,501,872	63,306,540	39,189,496	390,919	39,580,415
CAPITAL AND RESERVES							
Called up share capital		32,621,356	-	32,621,356	32,621,356	-	32,621,356
Profit and loss account		27,183,312	3,501,872	30,685,184	6,568,140	390,919	6,959,059
TOTAL SHAREHOLDER'S FUNDS		59,804,668	3,501,872	63,306,540	39,189,496	390,919	39,580,415

4. FIRST-TIME ADOPTION OF FRS 101 (continued)

Reconciliation of Profit and Loss account

		Year Ended 31 December 2014		
		Previous U.K. GAAP	Adjustments on transition	FRS 101
	Note	US$	US$	US$
Revenue	A	28,689,721	(3,958,020)	24,731,701
Administrative income		896,855	-	896,855
OPERATING PROFIT		29,586,576	(3,958,020)	25,628,556
Interest receivable and similar income		6,390	-	6,390
Interest payable and simliar charges		(5,723,327)	-	(5,723,327)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		23,869,639	(3,958,020)	19,911,619
Tax on profit on ordinary activities	B	(5,555,121)	847,067	(4,708,054)
PROFIT FOR THE FINANCIAL YEAR		18,314,518	(3,110,953)	15,203,565

FRS 101 Reconciliation Notes

A. Under the previous U.K. GAAP, equity and debt investments were accounted for at the lower of cost and net realisable value. On adoption of FRS 101, these are accounted for at fair value as discussed in accounting policy 2d.

B. Represents deferred tax adjustments on account of FRS 101 transition adjustments.

Disclosures

The adoption of FRS 101 has resulted in the company providing additional disclosures relating to financial assets and financial liabilities due to the adoption of IFRS 7 'Financial Instruments: Disclosures' and IFRS 13 'Fair Value Measurement'.

In addition, under the previous U.K. GAAP, a reconciliation between current tax and the product of profit/(loss) before tax multiplied by the appropriate tax rate was required. Upon adoption of IAS 12 'Income Taxes' the company is now required to present a reconciliation between the total tax expense and the product of profit/(loss) before tax multiplied by the applicable tax rate.

5. SEGMENTAL REPORTING

The directors manage the company's activities as a single business in the same geographical region, and accordingly no segmental analysis has been provided.

6. REVENUE

	Year Ended 31 December 2015	Year Ended 31 December 2014
	US$	US$
Revenue from debt investments	19,472,582	24,731,701

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2015

7. ADMINISTRATIVE INCOME

	Year Ended 31 December 2015 US$	Year Ended 31 December 2014 US$
Foreign exchange gains	997,387	900,638
Other (income) / expenses	993	(3,783)
	998,380	**896,855**

The auditors' remuneration for the current year of US$19,828 (2014: US$19,746) has been borne by ELQ Holdings (UK) Limited.

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year Ended 31 December 2015 US$	Year Ended 31 December 2014 US$
Interest on money market investments	-	5,754
Other interest	-	636
	-	6,390

9. INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31 December 2015 US$	Year Ended 31 December 2014 US$
Interest expense payable on third party loan	2,044,626	4,900,619
Interest expense payable to parent undertaking	131,552	807,496
Interest expense on short term liquidity facility with group undertaking	-	15,185
Other interest expense	26,728	27
	2,202,906	5,723,327

10. STAFF COSTS

The company has no employees (31 December 2014: nil). All persons involved in the company's operation are employed by a group undertaking and no charge is borne by the company.

11. DIRECTORS' EMOLUMENTS

	Year Ended 31 December 2015 US$	Year Ended 31 December 2014 US$
Directors		
Aggregate emoluments	8,116	5,900
Company pension contributions to money purchase schemes	37	38
	8,153	**5,938**

In accordance with the Companies Act 2006, directors' emoluments above represent the proportion of total emoluments paid or payable in respect of qualifying services only. This total only includes the value of cash and benefits in kind, and does not include the value of equity awards in accordance with the provision of schedule 5 of Statutory Instrument 2008/410. Directors also receive emoluments for non-qualifying sevices which are not required to be disclosed.

All directors were members of a defined contribution pension scheme and six directors were members of a defined benefit pension scheme during the year. All directors have received or are due receipt of Group Inc. shares under a long term incentive scheme during the year. No directors have exercised options during the year.

12. TAX ON PROFIT ON ORDINARY ACTIVITIES

a. Analysis of tax charge for the year:

	Year Ended 31 December 2015 US$	Year Ended 31 December 2014 US$
Current tax:		
UK Corporation tax 20.25% (2014:21.5%)	3,789,472	5,555,182
Adjustments in respect of prior periods	(1,675,036)	(61)
Total current tax	**2,114,436**	**5,555,121**
Deferred tax:		
Provisions and other timing differences	(9,898)	(847,067)
Effect of change in the U.K. corporate tax rates	(6,110)	-
Total deferred tax	**(16,008)**	**(847,067)**
Total tax on profit on ordinary activities (see note b)	**2,098,428**	**4,708,054**

b. Factors affecting tax charge for the year:

The table below presents a reconciliation between tax on profit on ordinary activities and the amount calculated by applying the weighted average rate of U.K. corporation tax applicable to the company for the year of 20.25% (31 December 2014: 21.50%) to the profit on ordinary activities before tax.

	Year Ended 31 December 2015 US$	Year Ended 31 December 2014 US$
Profit on ordinary activities before tax	18,268,056	19,911,619
Profit on ordinary activities at the standard rate in the UK 20.25% (2014: 21.50%)	3,698,656	4,280,998
Exchange and other differences	80,918	427,117
Adjustments in respect of FRS101 transition	(6,110)	-
Adjustments in respect of prior periods	(1,675,036)	(61)
Total tax charge for the year	**2,098,428**	**4,708,054**

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2015

13. DEFERRED TAX

	31 December 2015	31 December 2014
	US$	US$
Deferred tax liability comprises		
Timing differences in respect of debt investments	**81,876**	**97,884**

	US$
The movements in the deferred tax balance were as follows:	
At 31 December 2014	97,884
Transfer to the profit and loss account for the year (see note 12)	(16,008)
At 31 December 2015	**81,876**

The deferred tax balance as at 31 December 2015 will be transferred to the profit and loss account over a period of 9 years.

14. INVESTMENTS

	31 December 2015	31 December 2014
	US$	US$
Debt investments	**-**	**131,048,210**

15. DEBTORS

	31 December 2015	31 December 2014
	US$	US$
Accrued interest receivable on debt instruments owned	-	606,598
Amounts due from parent undertaking	207,383	-
	207,383	**606,598**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2015	31 December 2014
	US$	US$
Accrued interest due to third party	465,862	721,259
Accrued interest due to parent undertaking	-	114,956
Amounts due to group undertakings	13,932,680	8,555,217
Group relief payable	845,815	264,319
Corporation tax payable	2,848,781	4,615,775
Deferred tax liability (see note 13)	81,876	97,884
	18,175,014	**14,369,410**

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 December 2015	31 December 2014
	US$	US$
Long-term loan due to third party	68,947,979	111,485,300
Long-term loan due to parent undertaking	1,227,088	577,801
	70,175,067	112,063,101

The loan payable to third party relates to a multi-currency loan facility used to finance the company's assets. The facility is a ten year facility with a final maturity of October 2021 and interest accrues at 3-month Libor plus the appropriate spread, according to the underlying asset and currency of borrowing.

The loan payable to third party and the accrued interest thereon (see note 16) was fully repaid subsequent to the year end.

The loan payable to parent undertaking relates to borrowings under multi-currency overnight facilities. The facility is a forty-nine year facility with a final maturity of January 2061 and allows for repayment during the term. Interest is accrued on the facility in accordance with the policy of the group on intercompany loans. The interest accrued during the year is within a range of 1.5% to 4.4% (2014: 1.4% to 4.6%) depending on the currency of the borrowing.

18. CALLED UP SHARE CAPITAL

At 31 December 2015 and 31 December 2014 share capital comprised:

	31 December 2015		31 December 2014	
	No.	US$	No.	US$
Allotted, called up and fully paid				
Ordinary shares of GBP 1 each	8,288,555	12,841,908	8,288,555	12,841,908
Ordinary shares of EUR 1 each	11,362,897	14,759,636	11,362,897	14,759,636
Ordinary shares of SEK 1 each	22,581,436	3,301,750	22,581,436	3,301,750
Ordinary shares of USD 1 each	1,718,062	1,718,062	1,718,062	1,718,062
		32,621,356		32,621,356

Share capital issued is translated at the historic rates prevailing at the date of issuance.

19. DIVIDENDS PAID

	31 December 2015	31 December 2014
	US$	US$
Interim dividend paid - current year		
Ordinary GBP shares of 1 each	-	2,052,791
Ordinary EUR shares of 1 each	-	25,392,677
Ordinary SEK shares of 1 each	-	1,886,193
Ordinary USD shares of 1 each	-	9,598,029
	-	38,929,690

20. FINANCIAL COMMITMENTS AND CONTINGENCIES

The company had no financial commitments and contingencies outstanding at the year end (31 December 2014: US$nil).

21. FINANCIAL RISK MANAGEMENT

The company monitors its capital on an ongoing basis. The company's objective is to be prudently capitalised in terms of the amount and composition of its equity base (see note 18) compared to the company's risk exposures.

The company is exposed to financial risk through its financial assets and financial liabilities. Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet, the most important components of financial risk the directors consider relevant to the company are market risk, credit risk and liquidity risk. The company, as part of a global group, adheres to global risk management policies and procedures.

a. Market risk

Market risk is the risk of loss in value of investments, as well as certain other financial assets and financial liabilities, due to changes in market conditions. Risks are monitored and controlled through strong firmwide oversight and independent control and support functions across the company's business. Relevant market risks for the company are interest rate risk and currency risk.

- Interest rate risk results from exposures to changes in level, slope and curvature of yield curves, volatilities of interest rates and credit spreads.

- Currency risk results from changes in spot prices, forward prices and volatilities of currency rates.

The company manages its interest rate and currency risk as part of the group's risk management policy.

b. Credit risk

Credit risk represents the potential for loss due to the default or deterioration in credit quality of a counterparty. Credit risk is managed by reviewing the credit quality of the counterparties and reviewing, if applicable, the underlying collateral against which the financial assets are secured.

The investments and debtors on the company's balance sheet represent the gross credit risk exposure to the company. The company monitors and manages the credit risk of its investments within market risk above, such that, the debtors on the company's balance sheet represent the net credit risk.

c. Liquidity risk

Liquidity risk is the risk that the company does not have sufficient cash or collateral to make payments to its counterparties or customers as they fall due. Accordingly, the company, as part of a global group, has in place a comprehensive and conservative set of liquidity and funding policies to address both company specific and broader industry or market liquidity events.

22. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

a. Financial Assets and Financial Liabilities by Category

The table below presents the carrying value of the company's financial assets and financial liabilities by category:

	31 December 2015		
	Designated at fair value	Amortised cost	Total
Financial assets	US$	US$	US$
Debtors	-	207,383	207,383
Cash at bank and in hand	-	143,892,741	143,892,741
	-	**144,100,124**	**144,100,124**

	Designated at fair value	Amortised cost	Total
Financial liabilities	US$	US$	US$
Creditors: Amounts falling due within one year	-	(18,093,138)	(18,093,138)
Creditors: Amounts falling due after more than one year	-	(70,175,067)	(70,175,067)
	-	**(88,268,205)**	**(88,268,205)**

	31 December 2014		
	Designated at fair value	Amortised cost	Total
Financial assets	US$	US$	US$
Investments	131,048,210	-	131,048,210
Debtors	-	606,598	606,598
Cash at bank and in hand	-	34,358,118	34,358,118
	131,048,210	**34,964,716**	**166,012,926**

	Designated at fair value	Amortised cost	Total
Financial liabilities	US$	US$	US$
Creditors: Amounts falling due within one year	-	(14,271,526)	(14,271,526)
Creditors: Amounts falling due after more than one year	-	(112,063,101)	(112,063,101)
	-	**(126,334,627)**	**(126,334,627)**

b. Fair value hierarchy

FRS 101 has a three level fair value hierarchy for disclosure of fair value measurements. The fair value hierarchy prioritises inputs to the valuation techniques used to measure fair value, giving the highest priority to level 1 inputs and lowest priority to level 3 inputs. A financial instrument's level in the fair value hierarchy is based on the lowest level of any input that is significant to its fair value measurement.

22. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

b. Fair value hierarchy (continued)

The fair value hierarchy is as follows:

- Level 1 Inputs are unadjusted quoted prices in active markets to which the group has access at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 Inputs to valuation techniques are observable, either directly or indirectly.
- Level 3 One or more inputs to valuation techniques are significant and unobservable.

	31 December 2014			
	Level 1	Level 2	Level 3	Total
	US$	US$	US$	US$
Investments	-	-	131,048,210	131,048,210

There were no financial assets at fair value as at 31 December 2015; and no financial liabilities at fair value as at 31 December 2015 and 31 December 2014.

c. Valuation techniques and significant inputs

Cash instruments

Cash instruments include bank loans. Valuation techniques and significant inputs for each level of the fair value hierarchy include:

- Level 3 cash instruments have one or more significant valuation inputs that are not observable. Absent evidence to the contrary, level 3 cash instruments are initially valued at transaction price, which is considered to be the best initial estimate of fair value. Subsequently, the company uses other methodologies to determine fair value, which vary based on the type of instrument. Valuation inputs and assumptions are charged when corroborated by substantive observable evidence, including values realised on sales of financial assets.

22. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

d. Significant unobservable inputs used in Level 3 fair value measurement

As of 31 December 2015, the company had no level 3 asset cash instruments (2014: US$ 131.0 million). The table below presents the ranges of significant unobservable inputs used to value these level 3 asset cash instruments, as well as the related weighted averages. In the table below:

Level 3 cash instruments	Valuation techniques and significant unobservable inputs	Significant unobservable inputs (where a range, weighted average) As of 31 December 2014
Loans ($131.0 million of level 3 assets as of December 2014)	Discounted cash flows: • Yield • Duration (years)	 10.8% - 51.9% (18.3%) 0.08 - 3.85 (2.96)

e. Level 3 rollforward

The tables below present the changes in fair value for all level 3 financial assets and financial liabilities measured at fair value on a recurring basis. Gains and losses arising on level 3 assets are recognised within trading profit in the profit and loss account.

	Year end 31 December 2015 US$	Year end 31 December 2014 US$
Financial assets at fair value		
Balance, beginning of year	131,048,210	346,981,419
Gain / (loss)	11,142,598	12,228,251
Settlements	(142,190,808)	(228,161,460)
Balance, end of year	-	**131,048,210**

f. Fair value financial instruments valued using techniques that incorporate unobservable inputs

The fair value of financial assets and financial liabilities may be determined in whole or part using a valuation technique based on assumptions that are not supported by prices from observable current market transactions in the same instrument or based on available observable market data and changing these assumptions will change the resultant estimate of fair value.

The potential impact of using reasonable possible alternative assumptions for the valuations, including significant unobservable inputs, has been quantified as of 31 December 2015, as approximately US$nil (2014: US$11.9 million) for favourable changes and US$nil (2014: US$3.6 million) for unfavourable changes.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2015

22. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

g. Fair value of financial assets and financial liabilities not measured at fair value

The company has US$144.1 million (31 December 2014: US$35.0 million) of current financial assets and US$18.1 million (31 December 2014: US$14.3 million) of current financial liabilities that are not measured at fair value. Given the short-term nature of these instruments, their carrying amounts in the balance sheet are a reasonable approximation of fair value.

The company had US$70.2 million (2014: US$112.1 million) of financial liabilities that were due after more than one year, that were not measured at fair value and relate to long-term borrowings with third party and intercompany. The loan payable to third party was repaid subsequent to the year end and the interest rates of the intercompany borrowings are varied in nature and approximate prevailing market interest rates for instruments with similar terms and characteristics. As such, the carrying amount in the balance sheet is a reasonable approximation of fair value.

h. Maturity of financial liabilities

The tables below present the undiscounted cash flows of the company's financial liabilities by contractual maturity including interest that will accrue.

	31 December 2015				
	Less than three month	More than three months but less than one year	More than one year but less than five years	Greater than five years	Total
Financial liabilities	US$	US$	US$	US$	US$
Accrued interest due to third party	465,862	-	-	-	465,862
Amount due to group undertakings	13,932,680	-	-	-	13,932,680
Group relief payable	845,815	-	-	-	845,815
Corporation tax payable	2,848,781	-	-	-	2,848,781
Long term loan due to third party	69,031,046	-	-	-	69,031,046
Long term loan due to parent undertaking	-	126,170	630,851	6,273,897	7,030,918
	87,124,184	**126,170**	**630,851**	**6,273,897**	**94,155,102**

	31 December 2014				
	Less than three months	More than three months but less than one year	More than one year but less than five years	Greater than five years	Total
Financial liabilities	US$	US$	US$	US$	US$
Accrued interest due to third party	721,259	-	-	-	721,259
Accrued interest due to parent undertaking	114,956	-	-	-	114,956
Amuont due to group undertakings	8,555,217	-	-	-	8,555,217
Group relief payable	264,319	-	-	-	264,319
Corporation tax payable	4,615,775	-	-	-	4,615,775
Long term loan due to third party	-	2,855,911	14,279,555	114,341,211	131,476,677
Long term loan due to parent undertaking	-	21,205	106,026	1,447,212	1,574,443
	14,271,526	**2,877,116**	**14,385,581**	**115,788,423**	**147,322,646**