Company Number: 05793751

SANA ACQUISITIONS LTD

ANNUAL REPORT

31 DECEMBER 2016

REPORT OF THE DIRECTORS

The directors present their report and the audited financial statements for the year ended 31 December 2016. A strategic report has not been prepared as the company is entitled to the small companies exemption under section 414B of the Companies Act 2006.

1. Introduction

The principal activity of Sana Acquisitions Ltd was to hold a portfolio of non-performing loan receivables which were collateralised against investment properties. The non-performing loan receivables and investment properties were sold in prior years to third parties. The company continues to undertake investment business.

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.

The company primarily operated in a Euro environment. Accordingly, the company's functional currency is the Euro and these financial statements have been prepared in that currency.

2. Financial overview

The financial statements have been drawn up for the year ended 31 December 2016. Comparative information has been presented for the year ended 31 December 2015.

The results for the year are shown in the profit and loss account on page 6. Loss before taxation for the year was €10,852,182 (year ended 31 December 2015: €9,682).

The company has total assets of €4,713,640 (31 December 2015: €16,746,221).

The company, together with fellow group subsidiaries and its parent undertaking, GS European Opportunities Fund II L.P. ("the borrower group"), was joint and severally liable for certain debts owed to its principal creditor ("the lender") under a senior loan agreement ("the senior loan"). As at the end of the prior year the senior loan was in default, and the lender was entitled to call for immediate repayment of the senior loan.

During 2015 and 2016, the directors have undertaken an orderly sale of the assets of the borrower group. The sales were completed in 2016 and the proceeds used to repay a portion of the senior loan, although the proceeds fell significantly short of the amount required to repay the senior loan in full. Subsequent to the sale, the directors held active discussions with the lender concerning the inability to repay the amounts outstanding. In December 2016, the directors agreed with the lender that the borrower group would retain certain funds to repay existing liabilities and meet anticipated future contingent liabilities, and use the remaining funds to make a final settlement under the senior loan. As a result the borrower group was released from all obligations under the senior loan.

The company used the funds retained to make a payment to Goldman Sachs Realty Management Europe GmbH (GSRME), such that GSRME took on any future contingent liabilities of the borrower group under an indemnity agreement.

Further, in December 2016, GS European Opportunities II GP Ltd and the lender sold their respective interests in GS European Opportunities Fund II L.P., the company's parent undertaking, to ELQ Investors, Ltd. This resulted in ELQ Investors, Ltd. becoming the sole partner of GS European Opportunities Fund II L.P., and GS European Opportunities Fund II L.P. was then dissolved. As a result, the company's immediate parent undertaking changed to ELQ Investors, Ltd.

3. Future Outlook

The directors consider that the year end financial position of the company was satisfactory and do not anticipate any significant changes in its activities in the forthcoming year.

REPORT OF THE DIRECTORS (continued)

4. Dividends

The directors do not recommend the payment of a dividend in respect of the year (year ended 31 December 2015: €nil).

5. Exchange rate

The British pound / Euro exchange rate at the balance sheet date was £ / € 1.17 (31 December 2015: £ / € 1.36). The average rate for the year was £ / € 1.22 (31 December 2015: £ / € 1.38).

6. *Financial risk management*

The company's financial risk management objectives and policies, as well as its risk exposures, are described in note 18 to the financial statements.

7. 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.

8. Independent auditors

Prior to 1 October 2007, the company passed an elective resolution under section 386 of the Companies Act 1985 to dispense with the annual reappointment of auditors. PricewaterhouseCoopers LLP will, accordingly, continue in office as auditors of the company pursuant to section 487(2) of the Companies Act 2006 and paragraph 44 of Schedule 3 to the Companies Act 2006 (Commencement No. 3 Consequential Amendment, Transitional Provisions and Savings) Order 2007.

9. 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**
M. Holmes		
J.A. Wiltshire		
G. P. Minson		19 May 2017
O. Bingham	19 May 2017	

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

REPORT OF THE DIRECTORS (continued)

10. Statement of Directors' responsibilities

The directors are responsible for preparing the directors report and the financial statements in accordance with applicable laws 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 as at the end of the financial period and of the profit or loss of the company for that period.

In preparing those financial statements, 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.

11. Date of authorisation of issue

The financial statements were authorised for issue by the Board of Directors on 23/6/2017.

ON BEHALF OF THE BOARD

Director
MICHAEL HOLMES.
23/6/2017.

Independent auditors' report to the members of SANA ACQUISITIONS LTD

Report on the financial statements

Our opinion

In our opinion, Sana Acquisitions 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 2016 and of its loss 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 2016;
- 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, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Report of the Directors. We have nothing to report in this respect.

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.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. 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 3, the dircctors 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 (APB'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. With respect to the Report of the Directors, we consider whether this report includes the disclosures required by applicable legal requirements.

John Wei (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
23 June 2017

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2016

	Note	31 December 2016 EUR	31 December 2015 EUR
Net revenues	5	-	442,366
Interest payable and similar charges	6.	(34,684)	(35)
Interest receivable and similar income	7	98,141	122,940
Administrative expenses	8	(10,915,639)	(574,953)
LOSS BEFORE TAXATION		(10,852,182)	(9,682)
Tax on loss	11	557,148	696,364
(LOSS) / PROFIT FOR THE FINANCIAL YEAR		(10,295,034)	686,682

The loss before taxation 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 and loss account for the years shown above, and therefore no separate statement of other comprehensive income has been presented.

BALANCE SHEET

as at 31 December 2016

	Note	31 December 2016 EUR	31 December 2015 EUR
FIXED ASSETS			
Investments	13	2	2
CURRENT ASSETS			
Debtors	14	1,405,189	16,716,434
Cash at bank and in hand		3,308,449	29,785
		4,713,638	16,746,219
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	15	(1,405,189)	(3,142,736)
NET CURRENT ASSETS		3,308,449	13,603,483
TOTAL ASSETS LESS CURRENT LIABILITIES		3,308,451	13,603,485
NET ASSETS		3,308,451	13,603,485
CAPITAL AND RESERVES			
Called up share capital	16	500,002	500,002
Profit and loss account		2,808,449	13,103,483
TOTAL SHAREHOLDERS' FUNDS		3,308,451	13,603,485

The financial statements were approved by the Board of Directors on 23/06/2017 and signed on its behalf by:

M. H

Director
MICHAEL HOLMES.
23/06/2017.

The accompanying notes are an integral part of these financial statements.
Company number: 05793751

STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 December 2016

	Called up share capital	Profit and loss account	Total Sharcholders' Funds
	EUR	EUR	EUR
Balance at 1 January 2015	500,002	12,416,801	12,916,803
Profit for the financial year	-	686,682	686,682
Balance at 31 December 2015	500,002	13,103,483	13,603,485
Loss for the financial year	-	(10,295,034)	(10,295,034)
Balance at 31 December 2016	500,002	2,808,449	3,308,451

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2016

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 Investors, Ltd., a company incorporated and domiciled in England and Wales.

The ultimate parent undertaking and the parent company of the smallest and 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, or at www.goldmansachs.com/shareholders/.

2. ACCOUNTING POLICIES

a. Basis of Presentation

These financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with FRS 101 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006.

The following exemptions from disclosure requirements of International Financial Reporting Standards (IFRS) as adopted by the E.U. 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.

The company is a subsidiary undertaking of Group Inc., a company incorporated within the United States of America, whose consolidated financial statements include the company and are publicly available. As a result the company has elected not to prepare consolidated financial statements as permitted by section 401 of the Companies Act 2006.

b. Revenue recognition

Net revenues have been disclosed instead of turnover as this more meaningfully reflects the nature and results of the company's activities. The company's revenue is derived from non-performing loan receivables.

Net revenue from non-performing loan receivables includes realised gains, where proceeds received exceeds the purchase cost plus related acquisition costs of the loan, and changes in fair value. No interest income is accrued in respect of the loans.

2. ACCOUNTING POLICIES (continued)

c. 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 shareholders. Interim equity dividends are recognised and deducted from equity when paid.

d. Foreign currencies

The company's financial statements are presented in Euros, which is also the company's functional currency.

Transactions denominated in foreign currencies are translated into Euros at rates of exchange ruling on the date the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are translated into Euros at rates of exchange ruling at the balance sheet date. Foreign exchange gains and losses are recognised in loss before taxation.

e. Fixed asset investments

Fixed asset investments comprise investments in subsidiary undertakings and are stated at cost less provision for any impairment. Dividends receivable are recognised when the right to receive payment has been established.

f. Financial Assets and Financial Liabilities

(i) Recognition and Derecognition

Financial assets and financial liabilities, are recognised when the company becomes party to the contractual provisions of the instrument. A financial asset is 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, is cancelled or expires).

(ii) Classification and Measurement

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

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

- Loans and receivables and financial liabilities measured at amortised cost

Loans and receivables and financial liabilities measured at amortised cost are initially recognised at fair value and are subsequently remeasured at amortised cost, with 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:

- currently a legally enforceable right to set off the recognised amounts; and
- intent to settle on a net basis or to realise the asset and settle the liability simultaneously.

2. ACCOUNTING POLICIES (continued)

f. Financial Assets and Financial Liabilities (continued)

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

g. Cash at bank and in hand

Cash at bank and in hand is highly liquid overnight deposits held in the ordinary course of business.

h. Current and deferred income tax

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

Curren 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 by that date that will result in an obligation to pay more tax or a right to pay less tax in the future with the following exceptions:

(i) 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 temporary differences can be deducted.

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

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, there were no judgements made that had a significant effect on amounts recognised in the financial statements.

4. SEGMENTAL REPORTING

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

5. NET REVENUES

	31 December 2016 EUR	31 December 2015 EUR
Net revenues from non-performing loan receivables	-	**442,366**

Net revenues from non-performing loan receivables includes realised gains, where proceeds received exceed the purchase cost plus related acquisitions cost of the loan, and changes to fair value. No interest income is accrued in respect of the loans.

6. INTEREST PAYABLE AND SIMILAR CHARGES

	31 December 2016 EUR	31 December 2015 EUR
Bank interest expense	34,684	35
	34,684	**35**

Interest expense that relates to the funding of operating activities has been charged against operating profit.

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	31 December 2016 EUR	31 December 2015 EUR
Interest on loan receivable from group undertaking	98,141	122,927
Interest on money market investments	-	13
	98,141	**122,940**

8. ADMINISTRATIVE EXPENSES

	31 December 2016 EUR	31 December 2015 EUR
Payment to group undertaking	10,189,074	-
Loan servicing fees payable to group undertaking	-	178,170
Management fees payable to group undertaking	-	17,523
Auditors' remuneration - audit services	2,944	21,194
Other expenses on investments	723,621	358,066
	10,915,639	**574,953**

The payment to group undertaking was made under an agreement with Goldman Sachs Realty Management Europe GmbH (see note 15).

9. STAFF COSTS

As in the prior year, the company has no employees. All persons involved in the company's operations are employed by group undertakings. The charges made by these group undertakings for all services provided to the company are included in loan servicing fees charged by group undertakings (see note 8). No charges were borne in the current year.

10. DIRECTORS' EMOLUMENTS

	31 December 2016	31 December 2015
	EUR	EUR
Directors:		
Aggregate emoluments	2,663	1,321
Company pension contributions to money purchase schemes	47	16
	2,710	**1,337**

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. In accordance with schedule 5 of Statutory Instrument 2008 / 410 this only includes the value of cash and benefits in kind. Directors also receive emoluments for non-qualifying services which are not required to be disclosed.

Three directors are members of a defined contribution pension scheme and a defined benefit pension scheme during the year. All directors have been granted Group Inc. shares in respect of long-term incentive schemes during the year. No directors have exercised options during the year.

11. TAX ON LOSS

	31 December 2016	31 December 2015
	EUR	EUR
Current tax		
UK corporation tax	(228,987)	(193,185)
Adjustments in respect of prior periods	595,335	694,403
Total current tax	**366,348**	**501,218**
Deferred tax:		
Deferred tax accrual during the year	190,800	195,146
Total deferred tax	**190,800**	**195,146**
Total tax on loss	**557,148**	**696,364**

The table below presents a reconciliation between tax on loss and the amount calculated by applying the weighted average rate of U.K. corporation tax applicable to the company for the year of 20% (2015: 20.25%) to the loss before taxation is as follows:

	31 December 2016	31 December 2015
	EUR	EUR
Loss before taxation	(10,852,182)	(9,682)
Loss multiplied by the weighted average rate of tax in the UK 20% (2015: 20.25%)	2,170,436	1,961
Permanent differences	(2,037,815)	-
Exchange differences and other	(38,186)	-
Unutilised losses carried forward	(132,622)	-
Adjustments in respect of prior periods	595,335	694,403
Total tax on loss	**557,148**	**696,364**

12. DEFERRED TAX

	31 December 2016	31 December 2015
	EUR	EUR
Deferred tax liability comprises		
Deferred taxes accrued on FRS 101 transition adjustments	1,405,189	1,595,989
	1,405,189	**1,595,989**

The movements in deferred tax balance were as follows:	
As at 31 December 2014	1,791,135
Transfer to the profit and loss account for the period (see note 11)	(195,146)
As at 31 December 2015	1,595,989
Transfer to the profit and loss account for the period (see note 11)	(190,800)
At 31 December 2016	**1,405,189**

13. FIXED ASSET INVESTMENTS

Fixed asset investments which are unlisted and stated at cost lest provision for any impairment, comprise investments in subsidiary undertaking:

	Cost	Provisions for impairment	Net book value
	EUR	EUR	EUR
At 31 December 2015 and at 31 December 2016	2	-	2

The subsidiary over which the company exercises control via ordinary shares held directly by the company at the year end is:

Name of company	Country of incorporation	Proportion of value held	Class of shares held	Nature of business
Sana Real Estate Ltd	United Kingdom	100%	Ownership interest	Real estate investments

The registered office address of Sana Real Estate Ltd is Peterborough Court, 133 Fleet Street, London, EC4A 2BB, United Kingdom.

14. DEBTORS

	31 December 2016	31 December 2015
	EUR	EUR
Money market investments with group undertaking	-	10,694,840
Advance corporation taxes paid	1,405,189	-
Loan receivable from group undertaking	-	5,908,519
Interest on loan receivable from group undertaking	-	111,758
Other debtors	-	1,317
	1,405,189	**16,716,434**

Loan receivable from group undertaking had a maturity of 17 December 2016 and interest accrued during the year within a range of -3.76% to 2.04% (31 December 2015: 1.22% to 2.21%) in accordance with the policy of the group on intercompany loans. The loan and interest was fully repaid in December 2016, prior to maturity date.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2016

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2016 EUR	31 December 2015 EUR
Amounts due to subsidiary undertaking	-	2
Group tax relief payable	-	595,335
Corporation tax payable	-	895,708
Deferred tax liability	1,405,189	1,595,989
Other creditors and accruals	-	55,702
	1,405,189	**3,142,736**

The company, together with fellow group subsidiaries and its parent undertaking ("the borrower group"), was joint and severally liable for certain debts owed to its principal creditor ("the lender") under a senior loan agreement ("the senior loan"). The final maturity of the debt is 20 December 2016 and interest accrues at Euribor or Libor plus a spread within a range of 1% - 2%.

During 2015 and 2016, the directors have undertaken an orderly sale of the assets of the borrower group. The sales were completed in 2016 and the proceeds used to repay a portion of the senior loan, although the proceeds fell significantly short of the amount required to repay the senior loan in full. Subsequent to the sale, the directors held active discussions with the lender concerning the inability to repay the amounts outstanding. In December 2016, the directors agreed with the lender that the borrower group would retain certain funds to repay existing liabilities and meet anticipated future contingent liabilities, and use the remaining funds to make a final settlement under the senior loan. As a result the borrower group was released from all obligations under the senior loan.

The company used the funds retained to make a payment to Goldman Sachs Realty Management Europe GmbH (GSRME), such that GSRME took on any future contingent liabilities of the borrower group under an indemnity agreement.

16. CALLED UP SHARE CAPITAL

At 31 December 2016 and 31 December 2015 called up share capital comprised:

	31 December 2016 No.	31 December 2016 EUR	31 December 2015 No.	31 December 2015 EUR
Allotted, called up and fully paid				
Ordinary shares of £1 each	1	1	1	1
Redeemable shares of €1 each	500,001	500,001	500,001	500,001
		500,002		**500,002**

The redeemable shares issued to date are redeemable at par, there is no fixed expiry date on their redemption and they are redeemable at the option of the company. The redeemable shares have the same rights to dividends, voting rights and priority on winding up as ordinary shares.

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

17. FINANCIAL COMMITMENTS AND CONTINGENCIES

Prior to the change in ownership, the company was part of a group which was joint and severally liable for certain debts owned to the lender. The company had no financial commitments and contingencies outstanding at the year end. The outstanding debt of the group under the agreements as at 31 December 2015 was €378,719,586 (see note 15).

18. 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 compared to the company's risk exposures. The appropriate level and composition of equity capital is determined by considering multiple factors including the business environment, conditions in the financial markets and assessments of potential future losses due to adverse changes in market environments.

The company is not subject to any externally imposed capital requirements.

The directors consider that the most important components of the company's financial risk 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 independant 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 risks 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 the 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 loans and receivables are secured. The company's maximum exposure to credit risk is equivalent to the carrying value of its financial assets as at 31 December 2016 and 31 December 2015.

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. The company manages its liquidity risk in accordance with the group's comprehensive and conservative set of liquidity and funding policies to address both company specific and broader industry or market liquidity events.

19. FINANCIAL INSTRUMENTS

The company does not have any financial assets and financial liabilities at fair value as at 31 December 2016 (31 December 2015: €nil).

a. Fair value of financial instrument not measured at fair value

The company has €3,308,449 (31 December 2015: €16,746,219) of current financial assets and €nil (31 December 2015: €651,039) current financial liabilities that are not measured at fair value. Given the short term nature of these intruments, their carrying amounts in the balance sheet are a reasonable approximation of fair value.

b. Maturity of financial liabilities

All outstanding financial liabilities are due within one month of the balance sheet date.