

REGISTERED NUMBER: SC337887 (Scotland)

GOTTEX RAF SCOTLAND GP, LIMITED
DIRECTORS' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015



GOTTEX RAF SCOTLAND GP, LIMITED (REGISTERED NUMBER: SC337887)

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FOR THE YEAR ENDED 31 DECEMBER 2015**

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GOTTEX RAF SCOTLAND GP, LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2015**

Directors: Dr F J Campeau
T Röniger
W Woolverton

Secretary: Burness Paull LLP

Registered office: 50 Lothian Road
Festival Square
Edinburgh
EH3 9WJ

Registered number: SC337887 (Scotland)

Auditors: The Gallagher Partnership LLP, Statutory Auditor
69-85 Tabernacle Street
London
EC2A 4RR

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

The directors present their report with the financial statements of the Company for the year ended 31 December 2015.

Dividends

No dividends will be distributed for the year ended 31 December 2015.

Directors

The directors shown below have held office during the whole of the period from 1 January 2015 to the date of this report.

Dr F J Campeau
T Roniger
W Woolverton

Financial instruments

Financial instruments comprise of cash and working capital, i.e. the trade debtors and the trade creditors that arise during the course of the day to day business. This can result in a liquidity risk. The liquidity risk is controlled by maintaining a healthy balance between debtors and creditors. The debtor risk is controlled through a stringent credit control policy and regular monitoring of any outstanding amounts for both time and credit limits. Trade creditor liquidity risks are managed by ensuring that sufficient funds are available to meet amounts as and when they fall due and in accordance with agreed payment terms.

Statement of directors' responsibilities

The directors are responsible for preparing 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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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;
- 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 that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

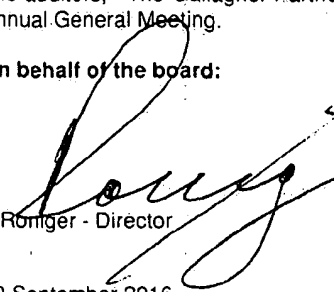
GOTTEX RAF SCOTLAND GP, LIMITED (REGISTERED NUMBER: SC337887)

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

Auditors

The auditors, The Gallagher Partnership LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:



T Romiger - Director

29 September 2016

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GOTTEx RAF SCOTLAND GP, LIMITED

We have audited the financial statements of Gottex RAF Scotland GP, Limited for the year ended 31 December 2015 on pages five to fourteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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. In addition, we read all the financial and non-financial information in the Directors' 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.

Opinion on financial statements

In our opinion 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 loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

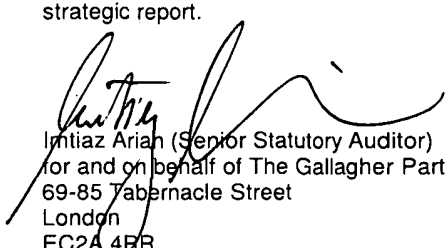
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
 - certain disclosures of directors' remuneration specified by law are not made; or
 - we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Imtiaz Arian (Senior Statutory Auditor)
for and on behalf of The Gallagher Partnership LLP, Statutory Auditor
69-85 Tabernacle Street
London
EC2A 4RR

29 September 2016

GOTTEX RAF SCOTLAND GP, LIMITED (REGISTERED NUMBER: SC337887)

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015**

| | Notes | 2015 £ | 2014 £ |
|---|-------|----------------|----------------|
| Turnover | | - | - |
| Administrative expenses | | <u>(1,697)</u> | <u>(1,697)</u> |
| Operating loss and Loss on ordinary activities before taxation | 4 | (1,697) | (1,697) |
| Tax on loss on ordinary activities | 5 | - | - |
| Loss for the financial year | | <u>(1,697)</u> | <u>(1,697)</u> |

The notes form part of these financial statements

GOTTEx RAF SCOTLAND GP, LIMITED (REGISTERED NUMBER: SC337887)

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

| | Notes | 2015 £ | 2014 £ |
|---|-------|----------------|----------------|
| Loss for the year | | (1,697) | (1,697) |
| Other comprehensive | | | |
| Currency translation differences | | (1,221) | (128) |
| Income tax relating to other comprehensive | | <u>-</u> | <u>-</u> |
| Other comprehensive For the year, net of income tax | | <u>(1,221)</u> | <u>(128)</u> |
| Total comprehensive loss for the year | | <u>(2,918)</u> | <u>(1,825)</u> |

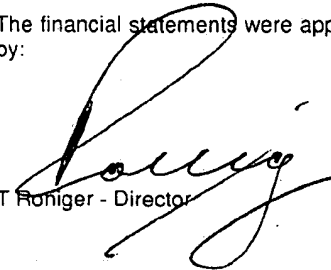
The notes form part of these financial statements

GOTTEX RAF SCOTLAND GP, LIMITED (REGISTERED NUMBER: SC337887)

BALANCE SHEET
31 DECEMBER 2015

| | Notes | 2015 £ | 2014 £ |
|--|-------|-----------------|-----------------|
| Fixed assets | | | |
| Investments | 6 | 1 | 1 |
| Current assets | | | |
| Cash at bank | | 206 | 191 |
| Creditors | | | |
| Amounts falling due within one year | 7 | <u>19,540</u> | <u>16,607</u> |
| Net current liabilities | | <u>(19,334)</u> | <u>(16,416)</u> |
| Total assets less current liabilities | | <u>(19,333)</u> | <u>(16,415)</u> |
| Capital and reserves | | | |
| Called up share capital | 8 | 1 | 1 |
| Retained earnings | 9 | <u>(19,334)</u> | <u>(16,416)</u> |
| Shareholders' funds | | <u>(19,333)</u> | <u>(16,415)</u> |

The financial statements were approved by the Board of Directors on 29 September 2016 and were signed on its behalf by:


T Rohner - Director

The notes form part of these financial statements

GOTTEX RAF SCOTLAND GP, LIMITED (REGISTERED NUMBER: SC337887)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

| | Called up share capital £ | Retained earnings £ | Total equity £ |
|------------------------------------|------------------------------------|---------------------------|----------------------|
| Balance at 1 January 2014 | 1 | (14,591) | (14,590) |
| Changes in equity | | | |
| Total comprehensive loss | - | (1,825) | (1,825) |
| Balance at 31 December 2014 | <u>1</u> | <u>(16,416)</u> | <u>(16,415)</u> |
| Changes in equity | | | |
| Total comprehensive loss | - | (2,918) | (2,918) |
| Balance at 31 December 2015 | <u>1</u> | <u>(19,334)</u> | <u>(19,333)</u> |

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

1. Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. These financial statements for the year ended 31 December 2015 are the first financial statements of the Company following the adoption of FRS 102.

The date of transition to FRS 102 was 1 January 2014. The Company previously reported under old UK GAAP, the Company has made no measurement or recognition adjustments as explained in the "First Year Adoption" note to the accounts.

Set out below is a summary of the principal accounting policies, all of which have been applied consistently (except as otherwise stated).

2. Accounting policies

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

FRS 102 grants certain first-time adoption exemptions from the full requirements of FRS 102 in the transition period. The Company has not taken any of the exemptions in these financial statements.

Significant judgements and estimates

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The critical judgement that the directors have made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

(i) Assessing indicators and impairment

In assessing whether there have been any indicators or impairment assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience or recoverability. There have been no indicators or impairments identified during the current financial year.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(ii) Recoverability of receivables

The Company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors consider factors such as the aging of the receivables, past experience and recoverability, and the credit profile of individual or groups of customers.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015

2. Accounting policies - continued

Taxation

Tax expense for the period comprise current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future gives rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date that are expenses to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and there is the intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Foreign currencies

The financial statements are presented in sterling which is different to the functional currency of the company of USD. All assets and liabilities denominated in the functional currency are translated into the presentation currency at the balance sheet date and are translated at the exchange rate ruling at that date. The revenues and expenses denominated in the functional currency are translated into the presentation currency at average exchange rates. Foreign exchange difference arising on translation from the company's functional currency to its presentation currency is recognised in the statement of other comprehensive income.

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at that date the transaction took place. Where this is not possible to determine, income and expense items are translated using an average exchange rate for the period.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are reported at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date of monetary assets and liabilities are reported in profit or loss.

Fixed asset investments

Fixed asset investments are stated at cost less provision for diminution in value.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015

2. Accounting policies - continued

Going concern

These financial statements have been prepared on a going concern basis.

The current economic conditions present increased risks for all businesses. In response to such conditions, the directors have carefully considered these risks including an assessment on uncertainty on future trading projection for a period of at least 12 months from the date of signing the financial statements, and the extent to which they might affect the preparation of the financial statements on a going concern basis.

Based on assessment, the directors consider that the Company maintains an appropriate level of liquidity, sufficient to meet the demands of the business including any capital and servicing obligations and external debt liabilities.

In addition, the Company's assets are assessed for recoverability on a regular basis, and the directors consider that the Company is not exposed to losses on these assets which would affect their decision to adopt the going concern basis.

The company meets its working capital requirement through financing provided by Gottex RAF Scotland LP. On this basis the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and that there are no material uncertainties that lead to significant doubts upon the Company's ability to continue as a going concern. Thus the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probably that the obligation will be required to be settled, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting, taking into account the risks and uncertainties surrounding the obligation. Provisions are discounted when the time value of money is material.

Equity

Equity instruments are classified in accordance with the substance of contractual agreement. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Equity instruments issued by the Company are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. The Company holds financial instruments which comprise cash and cash equivalents, trade and other receivables, equity investments, trade and other payables, and loans and borrowings. The company has chosen to apply the provisions of Section 11 Basic Financial Instruments and Section 12 Other Financial Instruments in full.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015

2. Accounting policies - continued

Financial instruments

Financial assets - classified as basic financial instruments

(i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

(ii) Trade and other receivables

Trade and other receivables are initially recognised at the transaction price, including any transaction costs, and subsequently measured at amortised cost including the effective interest method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

At the end of each reporting period, the Company assesses whether there is objective evidence that an receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

(iii) Equity investments

Equity investments comprise ordinary shares, publicly traded in active markets for which a reliable fair value can be measured reliably. Equity investments are initially recognised at fair value, which is the transaction price excluding transaction costs and are subsequently measured at fair value through profit or loss.

(iv) Trade and other payables and loans and borrowings

Trade and other payables and loans and borrowings are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the discounted amount of the cash expected to be paid.

3. Staff costs

There were no staff costs for the year ended 31 December 2015 nor for the year ended 31 December 2014.

4. Operating loss

The operating loss is stated after charging:

| | 2015 £ | 2014 £ |
|-------------------------|--------------|--------------|
| Auditors' remuneration | <u>1,500</u> | <u>1,500</u> |
| Directors' remuneration | <u>-</u> | <u>-</u> |

5. Taxation

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2015 nor for the year ended 31 December 2014.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015

5. Taxation - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

| | 2015 £ | 2014 £ |
|--|----------------|----------------|
| Loss on ordinary activities before tax | <u>(1,697)</u> | <u>(1,697)</u> |
| Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 21%) | (339) | (356) |
| Effects of: Tax losses carried forward | <u>339</u> | <u>356</u> |
| Total tax charge | <u>-</u> | <u>-</u> |

Tax effects relating to effects of other comprehensive income

| | Gross £ | 2015 Tax £ | Net £ |
|----------------------------------|----------------|------------------|----------------|
| Currency translation differences | <u>(1,221)</u> | - | <u>(1,221)</u> |
| | <u>(1,221)</u> | - | <u>(1,221)</u> |
| | | | |
| | Gross £ | 2014 Tax £ | Net £ |
| Currency translation differences | <u>(128)</u> | - | <u>(128)</u> |
| | <u>(128)</u> | - | <u>(128)</u> |

A deferred tax asset has not been recognised in respect of timing differences relating to the trading losses carried forward against future profits of the same trade as there is insufficient evidence that the asset will be recovered. The amount of asset not recognised is £3,000 (2014 - £3,000). The assets would be recovered if sufficient taxable profits are made to offset these losses.

6. Fixed asset investments

| | Unlisted investments £ |
|-----------------------|------------------------------|
| Cost | |
| At 1 January 2015 | |
| and 31 December 2015 | <u>1</u> |
| Net book value | |
| At 31 December 2015 | <u>1</u> |
| At 31 December 2014 | <u>1</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2015

7. Creditors: amounts falling due within one year

| | 2015 | 2014 |
|------------------------------|---------------|---------------|
| | £ | £ |
| Trade creditors | 197 | 197 |
| Other creditors | 17,843 | 14,910 |
| Accruals and deferred income | <u>1,500</u> | <u>1,500</u> |
| | <u>19,540</u> | <u>16,607</u> |

8. Called up share capital

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 2015 | 2014 |
|---------|----------|----------------|----------|----------|
| | | | £ | £ |
| 1 | Ordinary | £1 | <u>1</u> | <u>1</u> |

9. Reserves

| | Retained earnings |
|--|-------------------|
| | £ |
| At 1 January 2015 | (16,416) |
| Deficit for the year | (1,697) |
| Foreign currency translation differences | <u>(1,221)</u> |
| At 31 December 2015 | <u>(19,334)</u> |

10. Related party disclosures

The Company is the General Partner of Gottex RAF Scotland, L.P. Included in other creditors is a balance of £17,843 (2014: £14,910) owed to Gottex RAF Scotland, L.P for expenses incurred on behalf of the Company. The balance is interest free and repayable on demand.

11. Ultimate controlling party

The immediate parent company is GFM Sàrl, a company registered in Switzerland. The ultimate parent company is Gottex Fund Management Holdings Limited, a company registered in Guernsey.

Gottex Fund Management Holdings Limited prepares group financial statements and copies can be obtained from Ogier House, St Julianas Avenue, St Peter Port, Guernsey.

12. First year adoption

This is the first year that the Company has presented its results under FRS 102. The last financial statements prepared under the previous UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2014. Set out below are the changes in accounting policies which reconcile profit for the financial year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014 between UK GAAP as previously reported and FRS 102.

Due to the straight forward nature of the Company's business and financial instruments, judgements, estimates, and provisions there were no adjustments to the Company's balance sheet at 1 January 2014 or 31 December 2014 on transition to FRS 102.