CREDIT SUISSE

CREDIT SUISSE BG STRATEGY INVESTMENTS (UK)

Annual Report
For the year ended 31 December 2015

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Company Registration Number: 3897327

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Board of Directors

David Long	Director
Lawrence Fletcher	Director
Paul E. Hare	Director

Company Secretary

Paul E. Hare	Secretary

Strategic Report for the year ended 31 December 2015

The Directors present their Annual Report and the Financial Statements for the year ended 31 December 2015.

Business Profile

Credit Suisse BG Strategy Investments (UK) (the "Company") is an unlimited company, domiciled in the United Kingdom and is currently dormant. The Company is a wholly owned subsidiary of DLJ UK Investment Holdings Limited. The ultimate parent of the Company is Credit Suisse Group AG, which is incorporated in Switzerland.

Business review

The Company is engaged in financing activities.

In April 2015, the deposit with Credit Suisse International ("CSi") was unwound and the funds were utilised to pay group relief liability. The Company ceased to be liable under the guarantee and charge agreement as the obligations of DLJ UK Investment Holdings Limited to CSi were settled in April 2015. Subsequent to this event, the Company is dormant.

Performance

The performance of the Company is explained through the key movements in its Statement of Income and Statement of Financial Position.

<u>Statement of Income</u>

For the year ended 31 December 2015, the Company reported a loss for the year of US$ 2,921 (2014: profit of US$ 20,174). The loss is primarily driven by audit fee expense and reduction in interest income.

<u>Statement of Financial Position</u>

As at 31 December 2015, the Company had total assets of US$ 211,326 (2014: US$ 4,593,822). The reduction is mainly on account of unwinding of the deposit with Credit Suisse International.

As at 31 December 2015, the Company had equity of US$ 200,038 (2014: US$ 202,959).

Key performance indicators

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The Company's financial risk management policies are outlined in Note 15 to the Financial Statements.

Approved by the Board of Directors on 26 July 2016 and signed on its behalf by:

Paul E. Hare
Company Secretary

One Cabot Square
London E14 4QJ
26 July 2016

Directors' Report for the year ended 31 December 2015

International Financial Reporting Standards

The Financial Statements of the Company for 2015 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union (EU).

The Financial Statements were approved and authorised for issue by the Directors on 26 July 2016.

Going concern

The Financial Statements have been prepared on a going concern basis.

Share capital

No additional share capital was issued by the Company during the year (2014: US$ Nil).

Dividends

No dividends were paid or proposed by the Company during the year (2014: US$ Nil).

Directors

The names of the Directors as at the date of this report are set out on page 3. There has been no change in the directorate since 31 December 2014, and up to the date of this report.

All Directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report. None of the Directors who held office at the end of the financial year were beneficially interested, at any time during the year, in the shares of the Company.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual 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 they have elected to prepare the Financial Statements in accordance with IFRS as adopted by the EU and applicable law.

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 and other comprehensive income 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 estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the EU; 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 confirm to the best of their knowledge:

- The Financial Statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- The Strategic Report includes a fair review of the development and performance of the business and the position of the Company with a description of the principal risks and uncertainties faced.

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 its Financial Statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to section 487 of the Companies Act 2006, KPMG LLP continues in office as the Company's auditor.

Subsequent events

In the UK budget announcement of 16 March 2016, the UK government announced its intention to further reduce the UK corporation tax rate to 17% with effect from 1 April 2020. This tax rate reduction is expected to be substantively enacted in 2016.

Approved by the Board of Directors on 26 July 2016 and signed on its behalf by:

David Long
Director

One Cabot Square
London E14 4QJ
26 July 2016

Company Registration Number: 3897327

Independent Auditor's Report to the Members of Credit Suisse BG Strategy Investments (UK)

We have audited the Financial Statements of Credit Suisse BG Strategy Investments (UK) for the year ended 31 December 2015 which comprises the Statement of Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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 auditor's 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 5 - 6, 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

A description of the scope of an audit of Financial Statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 IFRS as adopted by the EU; 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.

Alexander Snook
(Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square, London
E14 5GL
26 July 2016

Statement of Income for the year ended 31 December 2015

	Note	2015 US$	2014 US$
Interest income	4	2,801	26,089
Net interest income		**2,801**	**26,089**
Other income		98	326
Administrative expenses	5	(5,820)	(6,241)
(Loss)/ profit before tax		**(2,921)**	**20,174**
Income tax charge	6	-	-
(Loss)/ profit after tax		**(2,921)**	**20,174**

Loss for 2015 and profit for 2014 are from continuing operations.

There is no other comprehensive income in the current and prior year. Accordingly, Statement of Other Comprehensive Income is not provided.

The notes on pages 12 to 21 form an integral part of these Financial Statements.

Statement of Financial Position as at 31 December 2015

	Note	2015 US$	2014 US$
ASSETS			
Current assets			
Loans and receivables	7	-	4,445,645
Cash and cash equivalents	8	211,326	148,177
Total current assets		**211,326**	**4,593,822**
Total assets		**211,326**	**4,593,822**
LIABILITIES			
Current liabilities			
Other liabilities	9	11,288	5,908
Group relief payable	10	-	4,384,955
Total current liabilities		**11,288**	**4,390,863**
Total liabilities		**11,288**	**4,390,863**
SHAREHOLDER'S EQUITY			
Share capital	11	261	261
Retained earnings		199,777	202,698
Total shareholder's equity		**200,038**	**202,959**
Total liabilities and shareholder's equity		**211,326**	**4,593,822**

The notes on pages 12 to 21 form an integral part of these Financial Statements.

Approved by the Board of Directors on 26 July 2016 and signed on its behalf by:

David Long
Director

Statement of Changes in Equity for the year ended 31 December 2015

	Share capital US$	Retained earnings US$	Total US$
Balance at 1 January 2015	261	202,698	202,959
Loss for the year	-	(2,921)	(2,921)
Balance at 31 December 2015	**261**	**199,777**	**200,038**

	Share capital US$	Retained earnings US$	Total US$
Balance at 1 January 2014	261	182,524	182,785
Profit for the year	-	20,174	20,174
Balance at 31 December 2014	**261**	**202,698**	**202,959**

The notes on pages 12 to 21 form an integral part of these Financial Statements.

Statement of Cash Flows for the year ended 31 December 2015

	Note	2015 US$	2014 US$
Operating activities			
(Loss)/ profit before tax for the year		(2,921)	20,174
Adjustments to reconcile net (loss)/ profit to net cash from operating activities:			
Other adjustments:			
Interest Income		(2,801)	(26,089)
Operating (loss) before working capital changes		**(5,722)**	**(5,915)**
Net movement in operating assets and liabilities:			
Loans and receivables		4,445,645	-
Other Liabilities		5,380	281
Interest received		2,801	-
Group relief paid		(4,384,955)	-
Net cash generated from/ (used in) operating activities		**63,149**	**(5,634)**
Net increase/ (decrease) in cash and cash equivalent		**63,149**	**(5,634)**
Cash and cash equivalents at beginning of year		**148,177**	**153,811**
Cash and cash equivalents at end of year	**8**	**211,326**	**148,177**

The notes on pages 12 to 21 form an integral part of these Financial Statements.

Notes to the Financial Statements for the year ended 31 December 2015

1. General

Credit Suisse BG Strategy Investments (UK) (the "Company") is domiciled in the United Kingdom and it is currently engaged in financing activities. The Company's registered office is at One Cabot Square, London E14 4QJ.

2. Going concern

The Financial Statements have been prepared on a going concern basis.

3. Significant accounting policies

a) Statement of compliance

The Financial Statements have been prepared on a going concern basis, approved by the Directors in accordance with International Financial Reporting Standards as adopted by the European Union ("adopted IFRS") and are in compliance with Companies Act 2006.

The Financial Statements were authorised for issue by the Board of Directors on 26 July 2016.

b) Basis of preparation

The Financial Statements are presented in United States dollars (US$), which is the Company's functional currency. They are prepared on historical cost basis.

The preparation of Financial Statements in conformity with adopted IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Management believes that there are no critical accounting estimates which involve significant judgement and assessment.

Standards and interpretations effective in the current period

The Company has adopted the following amendments and interpretation in the current year:

- Annual Improvements to IFRSs 2011-2013 Cycle: In December 2013, the IASB issued 'Annual Improvements to IFRSs Cycle 2011-2013' (Improvements to IFRSs 2011-2013), which contain numerous amendments to IFRS that the IASB considers non-urgent but necessary. The adoption of the Improvements to IFRSs 2011-2013 on 1 January 2015 did not have a material impact on the Company's financial position, results of operation or cash flows.

- Annual Improvements to IFRSs 2010-2012 Cycle: In December 2013, the IASB issued 'Annual Improvements to IFRSs Cycle 2010-2012' (Improvements to IFRSs 2010-2012). The adoption of the Improvements to IFRSs 2010-2012 on 1 January 2015 did not have a material impact on the Company's financial position, results of operation or cash flows.

Standard and Interpretation endorsed by the EU and not yet effective

The Company is not yet required to adopt the following standards and interpretations which are issued by the IASB and have been endorsed by the EU but not yet effective.

- Annual Improvements to IFRSs 2012-2014 Cycle: In September 2014, the IASB issued 'Annual Improvements to IFRSs 2012-2014 cycle' (Improvements to IFRSs 2012-2014). The adoption of the Improvements to IFRSs 2012-2014 on 1 January 2016, is not expected to have a material impact to the Company's financial position, results of operation or cash flows.

Notes to the Financial Statements for the year ended 31 December 2015

- Disclosure Initiative (Amendments to IAS 1): In December 2014, the IASB issued Amendments to IAS 1 as part of their Disclosure Initiative. The Amendments clarify guidance regarding materiality, notes to the financial statements and the presentation of the Statement of Financial Position and Statement of Income. The Amendments will allow entities to use more judgement when preparing and presenting financial statement. As the Amendments to IAS 1 impact disclosures only, the adoption on 1 January 2016 is not expected to have a material impact to the Company' financial position, results of operation or cash flows.

Standards and Interpretations not endorsed by the EU and not yet effective

The Company is not yet required to adopt the following standards and interpretations which are issued by the IASB but not yet effective and have not yet been endorsed by the EU:

- IFRS 9 Financial Instruments: In November 2009 the IASB issued IFRS 9 'Financial Instruments' (IFRS 9) covering the classification and measurement of financial assets which introduces new requirements for classifying and measuring financial assets. In October 2010, the IASB reissued IFRS 9, which incorporated new requirements on the accounting for financial liabilities. In July 2014, the IASB issued IFRS 9 as a complete standard. The standard includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018. The Company is currently evaluating the impact of adopting IFRS 9.

- Amendments to IAS 12: Income Taxes: In January 2016, the IASB issued 'Recognition of Deferred Tax Assets for Unrealised Losses' (Amendments to IAS 12). The Amendments clarify how to account for deferred tax assets related to debt instruments measured at fair value. The Amendments to IAS 12 are effective for annual periods beginning on or after 1 January 2017, with retrospective application required. The Company is currently evaluating the impact of adopting the Amendments to IAS 12.

- Disclosure Initiative (Amendments to IAS 7): In January 2016, the IASB issued amendments to IAS 7 as part of their Disclosure Initiative. The Amendments require enhanced disclosures regarding changes in liabilities arising from financing activities, including changes from cash flows and non-cash changes. The Amendments are effective for annual periods beginning on or after 1 January 2017. The Company is currently evaluating the impact of adopting the Amendments to IAS 7.

c) Foreign currency

The functional currency of the Company is United States Dollars (US$). Transactions denominated in currencies other than the functional currency of the Company are recorded by re-measuring to the functional currency at the exchange rate on the date of the transaction. At the reporting date, monetary assets and liabilities such as receivables and payables are reported using the spot exchange rates applicable at that date. Non-monetary assets and liabilities denominated in foreign currencies at the reporting date are not revalued for movements in foreign exchange rates. Foreign exchange differences arising from re-measurement are recognised in Statement of Income under other income.

d) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the Statement of Income except to the extent that it relates to items recognised directly in equity, in which case the income tax is recognised in equity. For items initially recognised in equity and subsequently recognised in the Statement of Income, the related income tax initially recognised in equity is also subsequently recognised in the Statement of Profit and Loss and Other Comprehensive Income.

Current tax is the expected tax payable on the taxable income for the year and includes any adjustment to tax payable in respect of previous years. Current tax is calculated using tax rates enacted or substantively enacted at the reporting date. Information as to the calculation of income tax on the profit or loss for the years presented is included in Note 6- Income tax charge.

For UK corporation tax purposes the Company may surrender or claim certain losses from another UK group Company.

Notes to the Financial Statements for the year ended 31 December 2015

e) Financial instruments - Recognition and derecognition

The Company recognises financial assets and liabilities on its Statement of Financial Position when it becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. Financial assets/financial liabilities are recognised/derecognised using settlement date accounting.

f) Financial assets

- **Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Company does not intend to sell immediately or in the near term. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to the initial recognition, they are measured at amortised cost using the effective interest method.

- **Cash and cash equivalents**

For the purpose of preparation and presentation of the cash flow statement, cash and cash equivalents are defined as short-term, highly liquid instruments with original maturities of three months or less, which are subject to insignificant risk of changes in their fair value and that are held for cash management purposes.

g) Financial liabilities

- **Other liabilities**

Other liabilities comprise audit fee payable.

h) Interest income

The interest income is recognised on an accrual basis using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability.

i) Fair Value

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

The fair value of the financial instruments is based on quoted prices in active markets or observable inputs. For all financial instruments which are carried at amortised cost, the determination of fair value requires subjective assessment and judgement depending on liquidity, pricing assumptions, the current economic and competitive environment and the risks affecting the specific instrument. In such circumstances, valuation is determined based on management's own judgements about the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk.

Notes to the Financial Statements for the year ended 31 December 2015

j) Financial guarantee contracts

Financial guarantee contracts are initially recognised in the Statement of Financial Position at fair value on the date the guarantee was given, which is generally the fee received or receivable. Subsequent to initial recognition, the Company's liabilities under such guarantees are measured at the higher of the initial fair value, less cumulative amortisation, and the best estimate for the expenditure required to settle any financial obligation arising as of the Statement of Financial Position date when it is probable that the financial obligation will occur.

4. Interest income

The interest income relates to the interest earned on the loans and receivables with Credit Suisse International ("CSi"). The interest rate is variable and is set at prevailing market rates which are based on USD LIBOR.

5. Administrative expenses

	2015 US$	2014 US$
Audit fee	(4,839)	(5,218)
VAT on audit fees	(981)	(1,023)
Total	**(5,820)**	**(6,241)**

Administrative expenses represent auditor's remuneration in relation to statutory audit of the Company.

6. Income tax charge

a) Components of tax charge / (benefit)

No current tax / deferred tax charge or benefit arose in either the current or prior year.

b) An explanation of the relationship between tax charge and the accounting result

The current tax for the year can be reconciled to the standard rate of corporation tax in the UK of 20.25% (2014: 21.49%) as follows:

	2015 US$	2014 US$
(Loss) / Profit Before Tax	**(2,921)**	**20,174**
(Loss) / Profit before tax multiplied by the UK statutory rate of corporation tax of 20.25% (2014: 21.49%)	(591)	4,336
Group relief surrendered/ (claimed) for nil consideration	591	(4,336)
Income tax expense	**-**	**-**

The Finance Act 2013, which passed into law on 17 July 2013, reduced the UK corporation tax rate from 23% to 21% with effect from 1 April 2014 and 21% to 20% with effect from 1 April 2015.

The Finance (No.2) Act 2015, which passed into law on 18 November 2015, included further rate reductions in the UK corporation tax rate from 20% to 19% with effect from 1 April 2017 and 19% to 18% with effect from 1 April 2020.

Notes to the Financial Statements for the year ended 31 December 2015

7. Loans and receivables

	2015 US$	2014 US$
Current and interest-bearing	-	4,445,645
Total	**-**	**4,445,645**

The Company, DLJ UK Investment Holdings Limited ("DLJ") and CSi had a guarantee and charge agreement under which the Company guaranteed certain liabilities of DLJ to CSi and charged the deposits to secure these liabilities. In April 2015, DLJ settled its liability with CSi and accordingly the Company no longer guarantees liabilities of DLJ to CSi.

8. Cash and cash equivalents

Bank balances are with Credit Suisse AG. The fair value of cash and cash equivalents approximates to book value.

9. Other liabilities

	2015 US$	2014 US$
Audit fees payable	11,288	5,908
Total	**11,288**	**5,908**

10. Group relief payable

During the current year, the Company settled the group relief payable with CSi.

11. Share capital

	2015 US$	2014 US$
Authorised equity		
20,000,000,000 'A' shares of US$ 1 each	20,000,000,000	20,000,000,000
100 Deferred shares of £1 each	161	161

Allotted, called up and fully paid equity	2015 US$	2014 US$
100 'A' shares of US$ 1 each	100	100
100 Deferred shares of £1 each	161	161
Total	**261**	**261**

The holders of 'A' shares carry voting rights and the right to receive dividends.

During the year, no additional share capital was issued (2014: US$ nil)

Notes to the Financial Statements for the year ended 31 December 2015

Capital management

The Board's policy is to maintain an adequate capital base so as to enable smooth operation of the Company's activities.

The capital structure of the Company consists of equity attributable to equity holders of the Company, comprising issued capital, and retained earnings. The Company funds its operations and growth through equity. This includes assessing the need to raise additional equity where required.

The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the year.

12. Related party transactions

The Company is a wholly owned subsidiary of DLJ UK Investment Holdings Limited domiciled in the United Kingdom. The ultimate holding Company is Credit Suisse Group AG, which is incorporated in Switzerland.

Copies of group Financial Statements of Credit Suisse AG and Credit Suisse Group AG, which are those of the smallest and largest groups in which the results of the Company are consolidated, are available to the public and may be obtained from Credit Suisse Group AG, Paradeplatz 8, 8070 Zurich, Switzerland.

The Company has significant related party balances with affiliates of Credit Suisse Group AG.

During the course of its business, the Company entered into agreements and transactions with related parties as detailed below.

a) Related party assets and liabilities

	Fellow Group companies 2015 US$	Fellow Group companies 2014 US$
Assets		
Cash and cash equivalents	211,326	148,177
Loans and receivables *	-	4,445,645
Total	**211,326**	**4,593,822**

For UK corporation tax purposes the Company may surrender or claim certain losses from another UK group Company. During the current year, the Company settled the group relief payable with CSi. The Group relief payable for year ended 31 December 2015 is US$ nil (2014: US$ 4,384,955).

* The Company, DLJ UK Investment Holdings Limited (DLJ) and CSi had a guarantee and charge agreement under which the Company guaranteed certain liabilities of DLJ to CSi and charged the deposits to secure these liabilities.

In April 2015, DLJ repaid the liabilities towards CSi due to which the Company no longer guarantees liabilities (2014: US$ 4,445,645) of DLJ to CSi.

There were no fees received by the Company for this guarantee.

b) Related party income and expenses

	Fellow Group companies 2015 US$	Fellow Group companies 2014 US$
Interest income	2,801	26,089
Total	**2,801**	**26,089**

Notes to the Financial Statements for the year ended 31 December 2015

c) Remuneration of Directors and Key Management Personnel

The Directors and Key Management Personnel did not receive any remuneration in respect of their services to the Company (2014: US$ Nil). The Directors and Key Management Personnel are employees of its related companies and the Company does not reimburse its related companies for the services rendered by these Directors and Key Management Personnel. All Directors benefited from qualifying third party indemnity provisions.

d) Loans and advances to Directors and Key Management Personnel

There were no loans or advances made to Directors or Key Management Personnel during the year (2014: US$ Nil).

13. Employees

The Company had no employees during the year (2014: Nil). The Company receives a range of administrative services from related companies within the Credit Suisse Group. Credit Suisse Group companies have borne the cost of these services.

14. Fair values of financial assets and liabilities

The disclosure of the Company's financial instruments below includes the following sections:

- Analysis of financial instruments by categories;
- Fair value of financial instruments not carried at fair value.

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

For cash and other liquid assets, the fair value is assumed to approximate book value, given the short term nature of these instruments. The information presented herein represents estimates of fair values of accrual accounted instruments as at the Statement of Financial Position date.

The table below analyses financial instruments by valuation method. The different levels in the fair value hierarchy in which fair value measurements are categorised for financial assets and liabilities have been defined as follows:

Level 1: Quoted market prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access. This level of the fair value hierarchy provides the most reliable evidence of fair value and is used to measure fair value whenever available.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liabilities that are not based on observable market data (unobservable inputs).

There have been no transfers between level 2 and level 1 in the year (2014: No Transfers).

Notes to the Financial Statements for the year ended 31 December 2015

The levels in the fair value hierarchy in which fair value measurements are categorised for assets and liabilities measured in the Statement of Financial Position are as follows:

	Carrying amount (US$)		Fair value (US$)			Total
	Loans and receivables	Other amortised cost	Level 1	Level 2	Level 3	
2015						
Financial assets						
Cash and cash equivalents	-	211,326	211,326	-	-	211,326
Total	**-**	**211,326**	**211,326**	**-**	**-**	**211,326**
Financial liabilities						
Other liabilities	-	11,288	-	11,288	-	11,288
Total	**-**	**11,288**	**-**	**11,288**	**-**	**11,288**
2014						
Financial assets						
Loans and receivables	4,445,645	-	-	4,445,645	-	4,445,645
Cash and cash equivalents	-	148,177	148,177	-	-	148,177
Total	**4,445,645**	**148,177**	**148,177**	**4,445,645**	**-**	**4,593,822**
Financial liabilities						
Other liabilities	-	5,908	-	5,908	-	5,908
Total	**-**	**5,908**	**-**	**5,908**	**-**	**5,908**

15. Financial risk management

The Company's activities expose it to a variety of financial risks:

- market risk (including foreign exchange risk and interest rate risk)
- credit risk
- liquidity risk
- operational risk

The overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Credit Suisse Group AG, of which the Company is a part, manages its risks under global policies. The Credit Suisse Group AG risk management process is designed to ensure that there are sufficient controls to measure, monitor and control risks in accordance with Credit Suisse Group AG's control framework and in consideration of industry best practices. The primary responsibility for risk management lies with Credit Suisse Group AG's senior business line managers. They are held accountable for all risks associated with their businesses, including counterparty risk, market risk, liquidity risk, operational risk, legal risk and reputational risk.

The interaction between qualitative and quantitative disclosures better enables users to evaluate an entity's exposure to risk arising from financial instruments.

Notes to the Financial Statements for the year ended 31 December 2015

Market risk

Market risk is the risk of loss arising from adverse changes in interest rates, foreign currency exchange rates, equity prices, commodity prices and other relevant market parameters, such as market volatilities.

(i) Interest rate risk

The Company no longer holds significant interest bearing assets and liabilities. Accordingly, no sensitivity analysis has been performed for the current year.

The sensitivity analysis for the previous year is prepared based on financial instruments that are recognised at the reporting dates. The sensitivity assumes changes in certain market conditions. These assumptions may differ materially from the actual turn out due to the inherent uncertainties in global financial markets. In practice, market risks rarely change in isolation and are likely to be interdependent.

	2014 (US$)	
	+25%	**-25%**
Change in equity and income or loss with interest rate fluctuation in receivables	2,876	(2,876)
Total	**2,876**	**(2,876)**

(ii) Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the GBP and EUR.

Foreign currency risk is the risk that the value of monetary assets/ liabilities will fluctuate because of change in foreign exchange rates. As at 31 December 2015, the Company had US$ 7,762 net liabilities (2014: US$ 2,048 net liabilities) foreign currency exposure.

The Company had the following assets and liabilities denominated in currencies other than USD:

2015	**GBP**	**EUR**
Monetary assets		
Cash and cash equivalents	585	2,435
Total monetary assets	**585**	**2,435**
Monetary liabilities		
Other liabilities	7,611	-
Total monetary liabilities	**7,611**	-
Net exposure	**(7,026)**	**2,435**

2014	**GBP**	**EUR**
Monetary assets		
Cash and cash equivalents	584	2,439
Total monetary assets	**584**	**2,439**
Monetary liabilities		
Other liabilities	3,805	-
Total monetary liabilities	**3,805**	**-**
Net exposure	**(3,221)**	**2,439**

Since the Company has minimal foreign exchange risk, sensitivity analysis has not been performed by the Company.

Notes to the Financial Statements for the year ended 31 December 2015

Credit risk

Credit risk is the possibility of a loss being incurred by us as the result of a borrower or counterparty failing to meet its financial obligations or as a result of deterioration in the credit quality of the borrower or counterparty. The Company is exposed to credit risk from Credit Suisse Group companies and third parties. The carrying value of amounts due from related companies and third parties represents the maximum credit exposure of the Company to counter parties. The Company has policies that limit the amount of credit exposure to any financial institution. Transactions are limited to fellow group companies and high credit quality financial institutions.

There are no amounts due from related companies and third parties which are past due but not impaired.

Counterparty Exposure	**Banks**	
	2015	**2014**
	US$	**US$**
A+ to A-	211,326	4,593,822
Total	**211,326**	**4,593,822**

Also refer Note 16 Contingent liabilities for maximum credit exposure.

Liquidity risk

Liquidity risk is the risk that a Company is unable to fund assets and meet obligations as they fall due under both normal and stressed market conditions. The Company is not exposed to significant liquidity risk.

Operational risk

Operational risk is the risk of financial loss arising from inadequate or failed internal processes, people or systems, or from external events. The Company is exposed to minimal operational risk.

16. Contingent liabilities

The Company, DLJ and CSi had a guarantee and charge agreement under which the Company guaranteed certain liabilities of DLJ to CSi and charged the deposits to secure these liabilities. In April 2015, DLJ repaid the liabilities towards CSi due to which the Company no longer guarantees liabilities (2014: US$ 4,445,645) of DLJ to CSi.

17. Subsequent events

In the UK budget announcement of 16 March 2016, the UK government announced its intention to further reduce the UK corporation tax rate to 17% with effect from 1 April 2020. This tax rate reduction is expected to be substantively enacted in 2016.