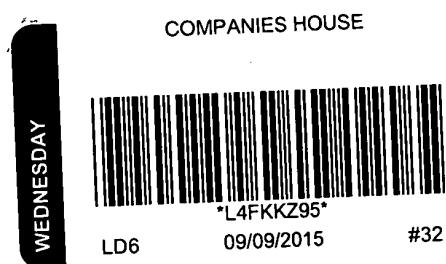


Cortland EMEA Limited

REPORT AND FINANCIAL STATEMENTS

For the period ended

31 December 2014



Company Registration No. 08933747

Cortland EMEA Limited
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For the period ended 31 December 2014

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Cortland EMEA Limited

DIRECTORS' REPORT

Period ended 31 December 2014

The directors present their report and the audited financial statements of the group for the period ended 31 December 2014. The company was incorporated in the United Kingdom under the name of Cortland Financial Services Limited on 11 March 2014 and changed its name to Cortland EMEA Limited on 20 October 2014.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is acting as an intermediate holding company to a group of three wholly-owned subsidiaries, which were incorporated on 20 October 2014 and are expected to commence operations in 2015 as providers of financial services to clients in UK and Europe, including third party and outsourced services to investment managers and commercial lenders.

RESULTS FOR THE PERIOD

The financial results for the period ended 31 December 2014 are set out on page 4.

DIRECTORS

R Bursby, Huntsmoor Limited and Huntsmoor Nominees Limited were appointed as directors on incorporation and resigned on 12 March 2014. K. Williams, J. Ritchie and J. Mead were appointed on 12 March 2014. J Mead resigned on 17 October 2014. L J M L Cornevin was appointed on 17 October 2014.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

Each of the directors confirms that, so far as they are aware, there is no relevant audit information of which the company's auditor is unaware, and that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITOR

Baker Tilly UK Audit LLP, Chartered Accountants, has been appointed as auditor to the company. Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the Board



K. Williams
Director

REGISTERED OFFICE

The Broadgate Tower
Third Floor
20 Primrose Street
London
EC2A 2RS

2 JULY 2015

Cortland EMEA Limited

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. The directors have elected under company law to prepare the group and company financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

The financial statements are required by law and IFRS adopted by the EU to present fairly the financial position of the group and company and the financial performance of the group. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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 group and the company and of the profit or loss of the group for that period.

In preparing the financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. state whether they have been prepared in accordance with IFRSs adopted by the EU;
- d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CORTLAND EMEA LIMITED

We have audited the group and parent company financial statements on pages 4 to 13. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

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 more fully explained in the Statement of Directors' Responsibilities on page 2, 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 website at www.frc.org.uk/auditscopeukprivate.com.

Opinion on financial statements

In our opinion

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2014 and of the group's loss for the period then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

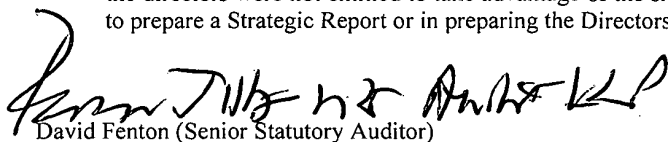
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the 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 by the parent company, or returns adequate for our audit have not been received by branches not visited by us; or
- the parent company 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.



David Fenton (Senior Statutory Auditor)
for and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London EC4A 4AB

Date: 2 July 2015

Cortland EMEA Limited

CONSOLIDATED INCOME STATEMENT AND CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period 11 March 2014 to 31 December 2014

CONSOLIDATED INCOME STATEMENT	Notes	2014 £
CONTINUING OPERATIONS		
REVENUE		-
Administrative expenses		(202,296)
OPERATING LOSS	2	(202,296)
Investment income		26
LOSS BEFORE TAX		(202,270)
Tax charge	4	-
LOSS FOR THE YEAR		(202,270)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	2014 £
Loss for the year		(202,270)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	9	(202,270)

Cortland EMEA Limited

STATEMENTS OF CHANGES IN EQUITY

For the period 11 March 2014 to 31 December 2014

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

ATTRIBUTABLE TO OWNERS OF THE COMPANY	Share capital £	Retained earnings £	Total £
Balance at 11 March 2014	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	(202,270)	(202,270)
TRANSACTIONS WITH OWNERS			
Issue of shares	1,000	-	1,000
BALANCE AT 31 DECEMBER 2014	<u>1,000</u>	<u>(202,270)</u>	<u>(201,270)</u>

COMPANY STATEMENT OF CHANGES IN EQUITY

ATTRIBUTABLE TO OWNERS OF THE COMPANY	Share capital £	Retained earnings £	Total £
Balance at 11 March 2014	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	(202,270)	(202,270)
TRANSACTIONS WITH OWNERS			
Issue of shares	1,000	-	1,000
BALANCE AT 31 DECEMBER 2014	<u>1,000</u>	<u>(202,270)</u>	<u>(201,270)</u>

Cortland EMEA Limited

BALANCE SHEETS

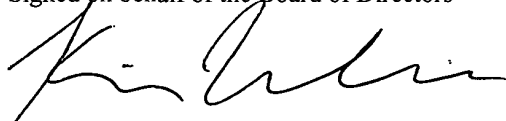
31 December 2014

Company Registration No. 08933747

	<i>Notes</i>	Group 2014 £	Company 2014 £
ASSETS			
NON-CURRENT ASSETS			
Investments in group companies	5	-	252,000
CURRENT ASSETS			
Cash and cash equivalents	6	148,315	47,315
TOTAL ASSETS		<u>148,315</u>	<u>299,315</u>
CAPITAL AND RESERVES			
Called up share capital	8	1,000	1,000
Retained earnings	9	(202,270)	(202,270)
EQUITY ATTRIBUTABLE TO OWNERS		<u>(201,270)</u>	<u>(201,270)</u>
CURRENT LIABILITIES			
Trade and other payables	7	49,585	49,585
Due to parent and subsidiary companies	7	300,000	451,000
		<u>349,585</u>	<u>500,585</u>
TOTAL EQUITY AND LIABILITIES		<u>148,315</u>	<u>299,315</u>

The financial statements on pages 4 to 13 were approved and authorised for issue by the Board of Directors on 2 July 2015.

Signed on behalf of the Board of Directors



K. Williams
Director

Cortland EMEA Limited

CASH FLOW STATEMENTS

For the period 11 March 2014 to 31 December 2014

	<i>Notes</i>	Group 2014 £	Company 2014 £
CASH USED IN OPERATING ACTIVITIES	10(a)	(152,711)	(152,711)
INVESTING ACTIVITIES			
Interest received		26	26
Investments in subsidiary companies		-	(101,000)
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES		26	(100,974)
FINANCING ACTIVITIES			
Issue of ordinary share capital		1,000	1,000
Loan from parent company		300,000	300,000
NET CASH GENERATED FROM FINANCING ACTIVITIES		301,000	301,000
NET INCREASE IN CASH AND CASH EQUIVALENTS	10(b)	148,315	47,315
Cash and cash equivalents at the beginning of the period		-	-
Cash and cash equivalents at the end of the period		148,315	47,315

Cortland EMEA Limited

NOTES TO THE FINANCIAL STATEMENTS

31 December 2014

1 ACCOUNTING POLICIES

(a) **Basis of preparation**

The company has adopted International Financial Reporting Standards ("IFRS") and the International Financial Report Interpretations Committee ("IFRIC") interpretations as adopted by the European Union ("EU") in the preparation of its financial statements and those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

No material uncertainties that cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors. The parent company has given an undertaking to continue to support the company. Therefore the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

(b) **Basis of consolidation**

The consolidated financial statements include the financial statements of the company and all of the entities controlled by the company (its subsidiaries) made up to 31 December 2014.

The company has not presented its own income statement as permitted by Section 408 of the Companies Act 2006. The loss for the period was £202,270.

(c) **Revenue recognition**

Revenue represents the fair value of the consideration received or receivable in respect of services provided in the normal course of business, net of discounts; value added tax and other sales related taxes. Sales of services are recognised when the services have been provided, services invoiced in advance are treated as deferred income and income is accrued where services have been provided but not yet invoiced.

Interest income is accrued on a time-apportioned basis. Dividend income is accounted for when received.

(d) **Operating profit or loss**

Operating profit or loss is arrived at after deducting all administrative expenses, but before investment income and finance costs.

(e) **Taxation**

The tax credit or expense represents the sum of the current tax expense and deferred tax.

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using the applicable rate for the period the taxable profits are earned in.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Cortland EMEA Limited
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
31 December 2014

1 ACCOUNTING POLICIES (CONTINUED)

(e) Taxation (continued)

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis. Deferred tax is charged or credited in the income statement, except where it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax is provided on temporary timing differences arising on investments in subsidiary companies, except where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

(f) Investments

Investments in subsidiary companies are measured at cost, less provision for impairment.

(g) Foreign currency translation

The financial statements are presented in the currency of the primary economic environment in which the group and the company operates (its functional currency). For the purposes of the financial statements, the results and financial position of the group and the company are expressed in sterling, which is the functional currency of the group and the company.

In preparing the financial statements, transactions expressed in currencies other than the functional currency (foreign currencies) are translated at rates of exchange approximating to those ruling at the date of the transaction. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at rates ruling at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the profit or loss before tax for the period.

(h) Leased assets and obligations

Rentals receivable or payable under operating leases are credited or charged to the income statement on a straight line basis over the lease term.

2 OPERATING LOSS

11 March to
31 December
2014

The operating loss is stated after charging :

£

Operating lease rentals - land and buildings
Fees payable to the auditor for the audit of the annual accounts

18,047
7,000

Cortland EMEA Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 December 2014

3 EMPLOYEES

The average number of persons employed by the group during the period, including directors, was 3.

	11 March to 31 December 2014 £
Staff costs	
Wages and salaries	80,429
Social security costs	9,527
	<u>89,956</u>

All of the remuneration relates to the directors.

4 TAXATION

(a) Income tax charge for the period

No corporation tax is provided in these financial statements due to the loss for the period.

(b) Factors affecting the income tax charge for the period

	11 March to 31 December 2014 £
The charge for the period can be reconciled to the loss per the income statement as follows:	
Loss before taxation	(202,270)
Loss in ordinary activities multiplied by the standard rate of corporation tax in the UK of 21%	(42,477)
Effects of:	
Tax losses not utilised	42,477
Income tax charge	<u>-</u>

(c) Factors affecting tax charges for future years

The company has trading losses for tax purposes at 31 December 2014 of £202,270, subject to acceptance by H M Revenue & Customs.

The group and company have deferred tax assets not included in the financial statements as recovery is not sufficiently certain, calculated at a corporation tax rate of 20%, as follows:

	Group 2014 £	Company 2014 £
Tax losses carried forward	40,454	40,454

The deferred tax asset is recoverable against future profits from the same trade of the same type.

Cortland EMEA Limited
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
31 December 2014

5	INVESTMENTS IN GROUP COMPANIES	£	Investments in subsidiary companies: Cost Additions	252,000	At 31 December 2014	252,000	The subsidiary companies at 31 December 2014 and their activities during the period since their incorporation were:	Percentage of ordinary share capital held	Activity in the period	No of shares of £1 each	All of the subsidiary companies are incorporated in the United Kingdom and registered in England and Wales.																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											

Cortland EMEA Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 December 2014

9	RESERVES		Retained earnings
	Group and Company		£
	Loss for the period		(202,270)
	At 31 December 2014		<u>(202,270)</u>
10	NOTES TO THE CASH FLOW STATEMENTS		
(a)	Cash used in operating activities		
		Group 2014 £	Company 2014 £
	OPERATING ACTIVITIES		
	Loss before tax	(202,270)	(202,270)
	Adjustments for:		
	Investment income	(26)	(26)
	Increase in payables	49,585	49,585
	CASH USED IN OPERATING ACTIVITIES	<u>(152,711)</u>	<u>(152,711)</u>
(b)	Analysis of changes in net cash		
		11 March 2014 £	Cash movements £
	Group		31 December 2014 £
	Cash and cash equivalents	-	148,315
	Net cash	<u>-</u>	<u>148,315</u>
	Company		
	Cash and cash equivalents	-	47,315
	Net cash	<u>-</u>	<u>47,315</u>
(c)	Reconciliation of net cash flow movement to movement in net cash		
		Group 2014 £	Company 2014 £
	Increase in cash	148,315	47,315
	Opening net cash	-	-
	CLOSING NET CASH	<u>148,315</u>	<u>47,315</u>

Cortland EMEA Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31 December 2014

11 OPERATING LEASE COMMITMENTS

At 31 December 2014 the group and the company were committed to making minimum lease payments under non-cancellable operating leases as follows:

	Group and company
	Land and buildings
	2014
Leases which expire:	£
Within one year	9,024

Operating lease commitments represent rental payments due by the company for its UK office property. The lease expires in April 2015.

12 RELATED PARTY TRANSACTIONS

During the period the company received an interest free loan of £300,000 from its parent company. The loan is repayable on demand.

At 31 December 2014 the company owed £150,000 to Cortland Trustees Limited, £1,000 to Cortland Capital Market Services Limited and £1,000 to Cortland Financial Services Limited in respect of unpaid share capital. The amount owed to Cortland Trustees Limited has not yet been called up for payment and is shown in trade and other payables net of an amount of £1,000 advanced by the company to this subsidiary prior to 31 December 2014.

13 CONTROLLING PARTIES

The immediate and ultimate parent company is Cortland Capital Market Services LLC, a company incorporated in the United States of America.

Cortland Capital Market Services LLC prepares consolidated financial statements which include the results of the company and its subsidiary companies. Copies of the consolidated financial statements of Cortland Capital Market Services LLC are available from 225 West Washington Street, 21st Floor, Chicago, IL 60606, USA.