

ALLIANCE TRUST EQUITY PARTNERS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014



ALLIANCE TRUST EQUITY PARTNERS LIMITED

COMPANY INFORMATION

DIRECTORS	Katherine Garrett-Cox Alan Trotter Justin Atkinson
COMPANY SECRETARY	Donald McPherson
REGISTERED NUMBER	SC211214
REGISTERED OFFICE	8 West Marketgait Dundee DD1 1QN
INDEPENDENT AUDITOR	Deloitte LLP Hill House 1 Little New Street London EC4A 3TR
BANKERS	The Royal Bank of Scotland 3 High Street Dundee DD1 9LY
SOLICITORS	Dickson Minto WS 16 Charlotte Square Edinburgh EH2 4DF

ALLIANCE TRUST EQUITY PARTNERS LIMITED

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ALLIANCE TRUST EQUITY PARTNERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The Directors present their report and the financial statements for the year ended 31 December 2014.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial 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). 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £902 (2013 - loss £1,311).

DIRECTORS

The Directors who served during the year were:

Katherine Garrett-Cox
Alan Trotter
Justin Atkinson

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

ALLIANCE TRUST EQUITY PARTNERS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

AUDITOR

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to be 'DM', written over a horizontal dotted line.

Donald McPherson
Secretary

Date: 5 March 2015

ALLIANCE TRUST EQUITY PARTNERS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

PRINCIPAL ACTIVITIES

The Company is authorised by the FCA to carry out Venture Capital Business. The Company's registration number is FRN:194663. The Company's principal activity is that of private equity fund management. The Company provides advice and expertise to Alliance Trust PLC in relation to its private equity portfolio. The total commitments (funded and unfunded) of the private equity portfolio of Alliance Trust PLC increased during the year by £18.5m. The Foresight Group provides certain investment management services and Augentius Fund Administration LLP provides certain administrative services.

BUSINESS REVIEW

Following the strategic decision by the ultimate parent undertaking, Alliance Trust PLC, in 2011 to exit its private equity business, the Directors have remained focused on maximising value to the shareholders through the investments still held in the underlying fund structures. The Directors will continue to consider the disposal of investments held if they believe that this represents the best returns for the shareholders.

The Company is the manager of various client funds as per the relevant investment management agreements. At the end of the financial year, there are three companies which act as General Partners to these client funds, which are also wholly owned subsidiaries of Alliance Trust Equity Partners (Holdings) Limited ("ATEPH"). The Company is also a wholly owned subsidiary of ATEPH.

PRINCIPAL RISKS AND UNCERTAINTIES

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including credit risk and liquidity risk. The Company does not use derivative financial instruments for speculative purposes.

Credit and liquidity risk

The Company's principal financial assets are bank balances, inter company and other receivables. The Company's credit risk is primarily attributable to its inter company receivables and the directors monitor the level of these balances with each group member plus assess individual recoverability on a regular basis.

The credit risk on liquid funds is limited because the counterparties are banks with internationally assigned credit ratings. The Company maintains liquidity to ensure sufficient funds are available for ongoing operations through efficient working capital management.

The directors consider these risks not to be significant for the Company.

Counterparty risk

This is the risk that a counterparty fails to discharge its obligations under a transaction, resulting in the company suffering a loss, or that the company fails to maintain sufficient liquidity. The significant counterparties are banks with high credit ratings and other wholly owned subsidiaries of the parent undertaking, Alliance Trust PLC. This risk is not considered to be significant.

GOING CONCERN

The Company participates in Alliance Trust PLC's ("the Group's") centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. The Directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Group to continue as a going concern or its ability to continue with the current banking arrangements. The Directors of the ultimate parent undertaking, Alliance Trust PLC, have announced an orderly wind down of the private equity activities of the Group. Management therefore expect that private equity investments will continue to be held by the Group for the foreseeable future.

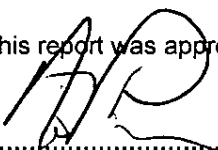
ALLIANCE TRUST EQUITY PARTNERS LIMITED

**STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2014**

GOING CONCERN (Continued)

On the basis of their assessment of the Company's financial position and that of the ultimate parent Company, Alliance Trust PLC, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future albeit the Directors are effecting an orderly exit strategy from its principal activity. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

This report was approved by the board on 5 March 2015 and signed on its behalf.


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Donald McPherson
Secretary

ALLIANCE TRUST EQUITY PARTNERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALLIANCE TRUST EQUITY PARTNERS LIMITED

We have audited the financial statements of Alliance Trust Equity Partners Limited for the year ended 31 December 2014, which comprise the Profit and Loss Account, the Balance Sheet and related notes 1 to 13. 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).

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, 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 Strategic report and 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 2014 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.

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.

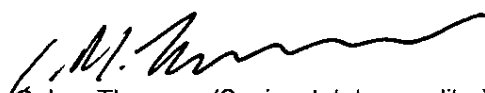
ALLIANCE TRUST EQUITY PARTNERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALLIANCE TRUST EQUITY PARTNERS LIMITED

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.



Calum Thomson (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom

5 March 2015

ALLIANCE TRUST EQUITY PARTNERS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Note	2014 £	2013 £
TURNOVER	1,2	574,934	137,431
Cost of sales		(575,027)	(138,008)
GROSS LOSS		(93)	(577)
Administrative expenses		(35)	-
OPERATING LOSS	3	(128)	(577)
Interest receivable and similar income	5	128	315
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		-	(262)
Tax on profit/(loss) on ordinary activities	6	(902)	(1,049)
LOSS FOR THE FINANCIAL YEAR	10	(902)	(1,311)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.


The notes on pages 9 to 12 form part of these financial statements.


ALLIANCE TRUST EQUITY PARTNERS LIMITED
REGISTERED NUMBER: SC211214

BALANCE SHEET
AS AT 31 DECEMBER 2014

	Note	£	2014 £	£	2013 £
CURRENT ASSETS					
Debtors	7	33,165		4,609	
Cash at bank		45,699		76,183	
		<u>78,864</u>		<u>80,792</u>	
CREDITORS: amounts falling due within one year	8	<u>(3,724)</u>		<u>(4,750)</u>	
NET CURRENT ASSETS			75,140		76,042
NET ASSETS			75,140		76,042
CAPITAL AND RESERVES					
Called up share capital	9		10,000		10,000
Profit and loss account	10		65,140		66,042
SHAREHOLDERS' FUNDS	11		75,140		76,042

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


 Katherine Garrett-Cox
 Director
 Date: 5 March 2015


 Alan Trotter
 Director
 Date: 5 March 2015

The notes on pages 9 to 12 form part of these financial statements.

ALLIANCE TRUST EQUITY PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards (United Kingdom Generally Accepted Accounting Practice).

Going concern

The Company participates in the Group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. The Directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Group to continue as a going concern or its ability to continue with the current banking arrangements.

The Directors of the ultimate parent undertaking, Alliance Trust PLC, have announced an orderly wind down of the private equity activities of the Group. Management therefore expect that private equity investments will continue to be held by the Group for the foreseeable future.

On the basis of their assessment of the Company's financial position and that of the ultimate parent Company, Alliance Trust PLC, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future albeit the Directors are effecting an orderly exit strategy from its principal activity. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Cash flow

The Company, being a subsidiary of Alliance Trust Equity Partners (Holdings) Limited is exempt from preparing a cash flow statement under FRS 1, as the parent entity is preparing consolidated financial statements including the company. A copy of the financial statements can be obtained from its registered office at 8 West Marketgait, Dundee, DD1 1QN.

Turnover

Turnover is the total amount receivable by the Company for services provided during the period excluding VAT and arises solely within the United Kingdom. Turnover from the provision of services is recognised on production of the sales invoice after the services have been provided to the customer.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

ALLIANCE TRUST EQUITY PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

2. TURNOVER

All turnover arose within the United Kingdom.

3. OPERATING LOSS

Audit fees of £4,900 (2013: £4,700) have been paid by the immediate parent company on behalf of the Company. The immediate parent company also paid £3,300 (2013: £3,150) on behalf of the Company for other services pursuant to legislation. No non audit fees (2013: Nil) were paid to Deloitte LLP in respect of services provided to the Company.

4. STAFF COSTS

The Company has no employees other than the Directors, who did not receive any remuneration (2013 - £NIL).

5. INTEREST RECEIVABLE

	2014 £	2013 £
Other interest receivable	128	315

6. TAXATION

	2014 £	2013 £
Analysis of tax charge in the year		
UK corporation tax charge on loss for the year	902	-
Adjustments in respect of prior periods	-	1,049
Tax on loss on ordinary activities	902	1,049

ALLIANCE TRUST EQUITY PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

6. TAXATION (continued)

Factors affecting tax charge for the year/Year

The tax assessed for the year is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%). The differences are explained below:

	2014 £	2013 £
Loss on ordinary activities before tax	-	(262)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%)	-	(61)
Effects of:		
Adjustments to tax charge in respect of prior periods	-	1,049
Unrelieved tax losses carried forward	-	61
Group relief	902	-
Current tax charge for the year (see note above)	902	1,049

7. DEBTORS

	2014 £	2013 £
Amounts owed by group undertakings	32,187	604
Other debtors	378	4,005
Prepayments and accrued income	600	-
	33,165	4,609

8. CREDITORS: Amounts falling due within one year

	2014 £	2013 £
Amounts owed to group undertakings	902	1,928
Other creditors	2,822	2,822
	3,724	4,750

9. SHARE CAPITAL

	2014 £	2013 £
Authorised, allotted, called up and fully paid		
10,000 Ordinary Shares shares of £1 each	10,000	10,000

ALLIANCE TRUST EQUITY PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

10. RESERVES

	Profit and loss account £
At 1 January 2014	66,042
Loss for the financial year	(902)
	<hr/>
At 31 December 2014	65,140
	<hr/>

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2014 £	2013 £
Opening shareholders' funds	76,042	77,353
Loss for the year	(902)	(1,311)
	<hr/>	<hr/>
Closing shareholders' funds	75,140	76,042
	<hr/>	<hr/>

12. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of Alliance Trust PLC, which prepares consolidated financial statements, the Company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group.

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking and controlling party is Alliance Trust Equity Partners (Holdings) Limited, whose Report and Accounts, in which Alliance Trust Equity Partners Limited's results are consolidated, may be obtained from its registered office at 8 West Marketgait, Dundee, DD1 1QN. The company is consolidated in the Alliance Trust Equity Partners (Holdings) Limited accounts only. The ultimate parent undertaking and controlling party is Alliance Trust PLC, incorporated in Scotland, whose Report and Accounts may be obtained from its registered office at 8 West Marketgait, Dundee, DD1 1QN or online at www.alliancetrust.co.uk.