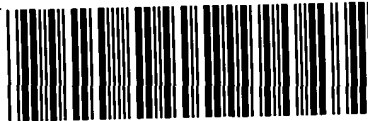


Company Registration No. SC214423 (Scotland)

**EAC_(SCOTLAND) (GP3) LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2015**

FRIDAY



L5GN0ORT

L17

30/09/2016

#70

COMPANIES HOUSE

EAC (SCOTLAND) (GP3) LIMITED

COMPANY INFORMATION

Directors	C W Robinson E R M Rinner
Secretary	DM Company Services Limited
Company number	SC214423
Registered office	16 Charlotte Square Edinburgh EH2 4DF
Auditors	RSM UK Audit LLP Chartered Accountants 25 Farringdon Street London United Kingdom EC4A 4AB

EAC (SCOTLAND) (GP3) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their annual report and financial statements for the year ended 31 December 2015.

Principal activities

The company's principal activity is to act as the General Partner of the EAC Fund III GP Limited Partnership, the General Partner of EAC Fund III Limited Partnership and EAC German GmbH & co. Beteiligungs KG, (the "Limited Partnerships"); both established for the purposes of making private equity investments in the United Kingdom and Western Europe.

The investments in the Limited Partnerships held by the company were sold during the year. Details of the sale can be found in note 10 on page 12.

The risks and uncertainties faced by the company are those inherent within the private equity industry and are outlined further, along with the other risks and uncertainties faced by the Milestone group, in the Member's Report prepared by Milestone Capital Partners LLP, the company's ultimate parent undertaking. Consolidated financial statements can be obtained from the address on note 19.

Directors, members and their interests

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

C W Robinson
E R M Rinner

The members who served Milestone Capital Partners LLP, the ultimate parent undertaking, throughout the year were as follows:

C W Robinson
E R M Rinner
P R Conboy

Results and dividends

The company's overall performance is measured on profitability and the profit before tax for the year was £40,941 (2014: loss £609,215). Details of the results for the year are set out on page 4.

The directors do not propose to pay a dividend for the year (2014: £nil).

Post reporting date events

No important events affecting the company have occurred since the end of the financial year.

Auditor

RSM UK Audit LLP were appointed auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

EAC (SCOTLAND) (GP3) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

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). 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 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.

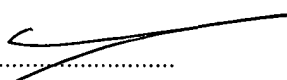
The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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

On behalf of the board


.....
C W Robinson
Director
.....

22/9/16

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAC (SCOTLAND) (GP3) LIMITED

We have audited the financial statements on pages 4 to 16. 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 FRS102 "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 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 Directors' Responsibilities Statement set out 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 (APB'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 <http://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 profit 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 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.

RSM UK Audit LLP 30/3/2016

David Fenton (Senior Statutory Auditor)
for and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
United Kingdom
EC4A 4AB

.....

EAC (SCOTLAND) (GP3) LIMITED

STATEMENT OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

		2015	2014
	Notes	£	£
Turnover	3	-	85,196
Administrative expenses		(13)	(715,118)
Operating loss	4	(13)	(629,922)
Interest receivable and similar income	7	-	1,490
Net gain on realised and unrealised investments	8	40,954	19,217
Profit/(loss) on ordinary activities before taxation		40,941	(609,215)
Taxation	9	(12,645)	79,663
Profit/(loss) for the financial year		28,296	(529,552)
Total comprehensive income for the year		28,296	(529,552)

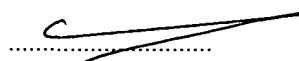
The income statement has been prepared on the basis that all operations are continuing operations.

EAC (SCOTLAND) (GP3) LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

	Notes	2015 £	£	2014 £	£
Fixed assets					
Investments	10		-		17,487
Current assets					
Debtors	11	213,214		379,883	
Creditors: amounts falling due within one year	12	(59,061)		(5,825)	
Net current assets			154,153		374,058
Total assets less current liabilities			154,153		391,545
Provisions for liabilities	14		-		(265,688)
Net assets			154,153		125,857
Capital and reserves					
Called up share capital	16		1		1
Profit and loss reserves			154,152		125,856
Total equity			154,153		125,857

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 22/19/16 and are signed on its behalf by:

 22/19/16
C W Robinson
Director

EAC (SCOTLAND) (GP3) LIMITED

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

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2014		1	655,408	655,409
<hr/>				
Period ended 31 December 2014:				
Loss and total comprehensive income for the year		-	(529,552)	(529,552)
<hr/>				
Balance at 31 December 2014		1	125,856	125,857
<hr/>				
Period ended 31 December 2015:				
Loss and total comprehensive income for the year		-	28,296	28,296
<hr/>				
Balance at 31 December 2015		1	154,152	154,153
<hr/>				

EAC (SCOTLAND) (GP3) LIMITED

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

1 Accounting policies

Company information

EAC (Scotland) (GP3) Limited is a company limited by shares incorporated in Scotland. The registered office is 16 Charlotte Square, Edinburgh, EH2 4DF.

The company's principal activities are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

First time adoption of FRS 102

These financial statements are the first financial statements of EAC (Scotland) (GP3) Limited prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of EAC (Scotland) (GP3) Limited for the year ended 31 December 2014 were prepared in accordance with previous UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the directors have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'. There were no material adjustments made due to transition to FRS 102.

Reduced disclosures

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 33 'Related Party Disclosures' – Compensation for key management personnel
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income.

EAC (SCOTLAND) (GP3) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies (Continued)

Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. The director is planned to dispose of the company from the group structure in 2016.

Investments

The company acts as the General Partner to EAC Fund III (GP) Limited Partnership, which is the General Partner to EAC Fund III Limited Partnership and EAC Fund III GmbH & Co Beteiligungs KG which make investments with the intention of capital appreciation. (Details are given in note 8). The investments in the limited partnerships are stated at cost less any provision for permanent impairment. Movements arising from foreign exchange translation are taken to the profit and loss account with the corresponding adjustment made to the value of the investment.

Financial assets

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through profit or loss is measured at fair value.

Loans and receivables

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

EAC (SCOTLAND) (GP3) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies (Continued)

Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through profit or loss are measured at fair value.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to the profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

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

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income and expenses from subsidiaries, associates, branches and interests in jointly controlled entities, that will be assessed to or allow for tax in a future period except where the company is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

For non-depreciable assets measured using the revaluation model and investment properties measured at fair value (except investment property with a limited useful life held by the company to consume substantially all of its economic benefit), deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

EAC (SCOTLAND) (GP3) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

1 Accounting policies (Continued)

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying account of assets and liabilities are outlined below.

Critical judgements

Investments are shown at the lower of cost or market value, where a provision has been made for any permanent diminution in value. The unlisted investments have been valued on the multiple of earnings basis where relevant. Hence, changes in the comparable earnings multiples of publicly quoted companies used to value the unquoted holdings, and changes in the trading results of the investee companies will impact the valuations of the investments.

3 Turnover

An analysis of the company's turnover is as follows:

	2015 £	2014 £
Turnover		
Fees receivable	-	85,196
	<u> </u>	<u> </u>
 Other significant revenue		
Interest income	-	423
	<u> </u>	<u> </u>

EAC (SCOTLAND) (GP3) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

3 Turnover (Continued)

Turnover comprises of fees receivable from EAC Fund III Limited Partnership and EAC Fund III GmbH & Co. Beteiligungs KG in accordance with the Limited Partnership Agreements. Since 2 September 2014, following a two year extension of the term of the partnership by Limited Partner Consent, the entitlement by the General Partner to receive PPS has expired.

4 Operating loss	2015 £	2014 £
Operating loss for the year is stated after charging/(crediting):		
Exchange losses/(gains)	-	(710)

5 Auditors' remuneration

Fees payable to the company's auditor and its associates:	2015 £	2014 £
For audit services		
Audit of the company's financial statements	-	2,750
For other services		
Taxation compliance services	-	3,075

The company is a general partner of EAC Fund III Limited Partnership. EAC Fund III Limited Partnership will pay the audit fee.

6 Directors' remuneration and employees

The directors did not receive any remuneration from the company during the year (2014: £nil). There were no employees during the year (2014: nil).

7 Interest receivable and similar income

	2015 £	2014 £
Interest income		
Interest receivable from group companies	-	423
Other income from investments		
Exchange differences	-	1,067
Total income	-	1,490

8 Other gains and losses

	2015 £	2014 £
Net gain on realised investments	40,954	19,217

EAC (SCOTLAND) (GP3) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

9 Taxation

	2015 £	2014 £
Current tax		
UK corporation tax on profits for the current period	59,061	-
Deferred tax		
Origination and reversal of timing differences	(46,416)	-
Adjustment in respect of prior periods	-	223
Other adjustments	-	(79,886)
Total deferred tax	(46,416)	(79,663)
Total tax charge	12,645	(79,663)

The charge for the year can be reconciled to the profit/(loss) per the income statement as follows:

	2015 £	2014 £
Profit/(loss) before taxation	40,941	(609,215)
Expected tax charge based on a corporation tax rate of 20.25% (2014: 21.49%)	8,289	(130,940)
Tax effect of expenses that are not deductible in determining taxable profit	-	139,926
Tax effect of income not taxable in determining taxable profit	-	(78,311)
Unutilised tax losses carried forward	-	(424,216)
Change in unrecognised deferred tax assets	19,366	-
Other short term timing differences	-	489,778
Transfer of chargeable gain	-	3,763
Adjust deferred tax to average rate	2,989	-
Adjustments to brought forward values	(17,999)	-
Tax expense for the year	12,645	-

10 Fixed asset investments

	2015 £	2014 £
Unlisted investments	-	17,487

EAC (SCOTLAND) (GP3) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

10 Fixed asset investments (Continued)

Movements in fixed asset investments

	£
Cost or valuation	
At 31 December 2015	58,173
Disposals	(58,173)
	<hr/>
At 31 December 2015	-
	<hr/>
Impairment	
At 31 December 2015	40,686
Impairment reversal	(40,686)
	<hr/>
At 31 December 2015	-
	<hr/>
Carrying amount	
At 31 December 2015	-
	<hr/>
At 31 December 2014	17,487
	<hr/>

Investments represents the company's attributable portion of the investment in EAC Fund III Limited Partnership and EAC Fund III GmbH & Co. Beteiligungs KG. All of the investment listed above are managed by the ultimate parent undertaking Milestone Capital Partners LLP. Investments are shown at the lower of cost or market value, where a provision has been made for any permanent diminution in value.

During the year ending 31 December 2015, the investment were sold and the gain on the sale is noted as below. At 31 December 2015 the above investments had a market value of £nil (2014: £17,487). An additional corporation tax charge of £nil (2014: £nil) would arise on realisation of the above investments at market value on 31 December 2015.

Net gain / (loss) on realised and unrealised investments	2015 £	2014 £
Proceeds from sale of investments	58,441	-
Cost of investments sold	(58,173)	(84,469)
Foreign exchange translation (cumulative)	-	(16,501)
Gain / (loss) on sale of investments	268	(100,970)
Impairment released	40,686	120,187
Net gain on realised and unrealised investments	40,954	19,217

EAC (SCOTLAND) (GP3) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

11 Debtors

	2015 £	2014 £
Amounts falling due within one year:		
Amounts due from fellow group undertakings	209,104	157,959
Other debtors	4,110	2,652
	<u>213,214</u>	<u>160,611</u>
Amounts falling due after one year:		
Deferred tax asset	-	219,272
	<u>-</u>	<u>219,272</u>
Total debtors	<u>213,214</u>	<u>379,883</u>

12 Creditors: amounts falling due within one year

	2015 £	2014 £
Corporation tax	59,061	-
Accruals and deferred income	-	5,825
	<u>59,061</u>	<u>5,825</u>

13 Financial instruments

	2015 £	2014 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	213,214	160,611
Equity instruments measured at cost less impairment	-	17,487
	<u>-</u>	<u>17,487</u>
Carrying amount of financial liabilities		
Measured at amortised cost	-	5,825
	<u>-</u>	<u>5,825</u>

14 Provisions for liabilities

	Notes	2015 £	2014 £
Deferred tax liabilities	15	-	265,688
		<u>-</u>	<u>265,688</u>

EAC (SCOTLAND) (GP3) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

15 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2015 £	Liabilities 2014 £	Assets 2015 £	Assets 2014 £
Balances:				
Tax losses	-	-	-	219,272
Other timing difference	-	265,688	-	-
	<u>-</u>	<u>265,688</u>	<u>-</u>	<u>219,272</u>
	<u>-</u>	<u>265,688</u>	<u>-</u>	<u>219,272</u>
Movements in the year:				2015 £
Liability at 1 January 2015				46,416
Credit to profit and loss				(46,416)
Liability at 31 December 2015				<u>-</u>

16 Share capital

	2015 £	2014 £
Ordinary share capital		
Authorised		
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>
Issued and fully paid		
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

Each ordinary share carries one vote in general meetings, entitles the holder to participate in dividends should there be sufficient profits and entitles the holder to a return of capital on liquidation or otherwise once liabilities have been discharged.

17 Reserves

Profit and loss account

Cumulative profit and loss net of distributions to owners.

18 Related party transactions

The company has taken advantage of the exemption under FRS 102 Section 33 Related Parties not to disclose transactions with other wholly owned group companies on the basis that group accounts are prepared.

EAC (SCOTLAND) (GP3) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

19 Controlling party

Consolidated accounts

The company acts as the General Partner of the EAC Fund III GP Limited Partnership, the General Partner of EAC Fund III Limited Partnership and EAC German GmbH & co. Beteiligungs KG, which make investments with the intention of capital appreciation. The company as the General Partner has control over these limited partnerships and as a consequence partially consolidates its portion of the limited partnerships' results and interests, into these financial statements.

Ultimate parent undertaking

The company was a wholly-owned subsidiary of Milestone Capital Holdings Limited, a company incorporated in England and Wales. The ultimate parent undertaking which prepares group financial statements is Milestone Capital Partners LLP, an undertaking incorporated in England and Wales.

Copies of these consolidated financial statements can be obtained from Milestone Capital Partners LLP, c/o RSM UK Tax and Accounting Limited, Outsourcing, 25 Farringdon Street, London, EC4A 4AB.