RIT Investments GP Limited

Report and Financial Statements

Year Ended 31 December 2015

Company Number: SC420607

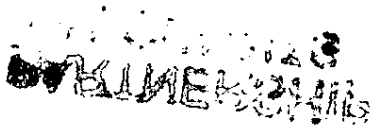
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Company Information

Board of Directors

Andrew Jones
Katie Thorpe
Christopher Wise
27 St James's Place, London SW1A 1NR

Company Secretary

Burness Paull & Williamsons LLP
50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, Scotland

Registered Number

SC420607

Company Address

50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, Scotland

Member

J. Rothschild Capital Management Limited
27 St James's Place, London SW1A 1NR

Independent Administrators

Augentius (UK) Limited
Two London Bridge, London SE1 9RA

Independent Auditors

PricewaterhouseCoopers LLP
7 More London Riverside, London SE1 2RT

Report of the Directors

The directors submit their report and the audited financial statements of RIT Investments GP Limited ("the Company") for the year ended 31 December 2015.

Incorporation
The Company is a limited company incorporated in Scotland on 28 March 2012.

Strategic Report
The Company is considered as "small" under Section 414B of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and it is therefore exempt from preparing a strategic report.

Business review and principal activities
The principal activity is to act as the General Partner of RIT Investments LP and RIT Carry LP. This will continue to be the principal activity of the Company for the foreseeable future. The directors do not consider the Company to be exposed to significant market, credit, liquidity or interest rate risks by virtue of its principal activity.

Results
The result for the year end is shown in the Statement of Comprehensive Income on page 6.

Dividends
The directors do not recommend the payment of a dividend (2014: nil).

Directors
The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Andrew Jones
Christopher Wise
Katie Thorpe

Risk Management
The Directors have set out the financial risk management objectives and policies within note 10 of the financial statements.

Future Developments
There are no likely changes to the business of the Company in the foreseeable future.

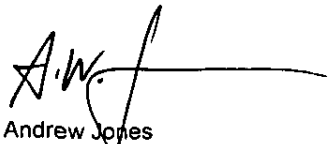
Independent Auditors
The Company appointed PricewaterhouseCoopers LLP as auditors and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

Disclosure of information to Auditors
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The financial statements on pages 6 to 18 were approved by the Board of Directors on 5 May 2016 and signed on its behalf by:



Andrew Jones
Director of RIT Investments GP Limited
5 May 2016

Statement of Directors' Responsibilities

The directors are responsible for preparing the Report of the Directors 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 prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 International Financial Reporting Standards as adopted by the European Union 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.

Independent Auditors' Report to the Members of RIT Investments GP Limited

Report on the financial statements

Our opinion

In our opinion, RIT Investments GP Limited's financial statements (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 and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Report and Financial Statements (the "Annual Report"), comprise:

- the statement of financial position as at 31 December 2015;
- the statement of comprehensive income for the year then ended;
- the statement of cash flows for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent Auditors' Report to the Members of RIT Investments GP Limited (continued)

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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

Alison Morris (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
5 May 2016

Statement of Comprehensive Income

(All figures stated in £)	Note	Year ended 31 December 2015	Year ended 31 December 2014
Income			
Revenue		101,027	101,014
Operating expenses	4	(46,190)	(56,874)
Profit before tax for the year		**54,837**	**44,140**
Tax credit on profit on ordinary activities	8	-	-
Retained profit for the year		**54,837**	**44,140**
Total comprehensive income for the year		**54,837**	**44,140**

All results shown in the Statement of Comprehensive Income are from continuing operations.

The accompanying notes on pages 10 to 18 form an integral part of these financial statements.

Statement of Financial Position

(All figures stated in £)	Note	As at 31 December 2015	As at 31 December 2014
Assets			
Current assets			
Trade and other receivables	5	177,660	56,447
Cash and cash equivalents		20,914	96,728
		198,574	**153,175**
Total assets		**198,574**	**153,175**
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables	6	37,200	46,638
		37,200	**46,638**
Total liabilities		**37,200**	**46,638**
Equity			
Share capital	7	1	1
Retained earnings		161,373	106,536
Total equity		**161,374**	**106,537**
Total liabilities and equity		**198,574**	**153,175**

The accompanying notes on pages 10 to 18 form an integral part of these financial statements. The financial statements were approved by the Board of Directors on 5 May 2016.

Andrew Jones
Director
5 May 2016

Company number: SC420607

Statement of Changes in Equity

Year ended 31 December 2015

(All figures stated in £)	Share capital	Retained earnings	Total equity
Balance as at 1 January 2015	**1**	**106,536**	**106,537**
Retained profit and total comprehensive income for the year	-	54,837	**54,837**
Balance as at 31 December 2015	**1**	**161,373**	**161,374**

Year ended 31 December 2014

(All figures stated in £)	Share capital	Retained earnings	Total equity
Balance as at 1 January 2014	**1**	62,396	**62,397**
Retained profit and total comprehensive income for the year	-	44,140	**44,140**
Balance as at 31 December 2014	**1**	**106,536**	**106,537**

Statement of Cash Flows

(All figures stated in £)	Year ended 31 December 2015	Year ended 31 December 2014
Cash flow from operating activities		
Profit before tax for the year	54,837	44,140
Increase in trade and other receivables	(121,213)	(28,461)
Increase in trade and other payables	(9,438)	5,590
Net cash (outflow) / inflow from operating activities	**(75,814)**	**21,269**
Net (decrease) / increase in cash and cash equivalents	**(75,814)**	**21,269**
Reconciliation of cash flow to movement in net cash		
Change in cash and cash equivalents	(75,814)	21,269
Cash and cash equivalents at the beginning of the year	96,728	75,459
Cash and cash equivalents at the end of the year	**20,914**	**96,728**

The accompanying notes on pages 10 to 18 form an integral part of these financial statements.

Notes to the Financial Statements

1 General Information

RIT Investments GP Limited (the "Company") was established on 28 March 2012 and is domiciled and registered (Registration number SC420607) in the United Kingdom. The Company is the General Partner of RIT Investments LP, the Fund Partnership, and shall be responsible for ensuring that the Fund Partnership's assets are always managed on a discretionary basis, by an authorised person permitted to do so under the United Kingdom Financial Services and Markets Act 2000 and all rules and regulations made thereunder.

The Company appointed J. Rothschild Capital Management Limited (the "Manager") to manage the Fund Partnership and its investment portfolio.

2 Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

2.1 Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS as adopted by the EU), interpretations issued by the IFRS Interpretations Committee (IFRS IC) and the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared on a historical cost basis.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the year the assumptions changed. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

(a) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

(i) IFRS 15, 'Revenue from Contracts with Customers'

In May 2014, IASB issued IFRS 15, 'Revenue from Contracts with Customers'. The core principle of the new standard is for companies to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the Company expects to be entitled in exchange for those goods or services. The new standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

IFRS 15 is effective for annual periods beginning on or after 1 January 2018. Earlier application is permitted. The Company has yet to assess IFRS 15's full impact.

(ii) IFRS 9, 'Financial Instruments'

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income ("OCI") and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39.

The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Company is yet to assess IFRS 9's full impact.

Notes to the Financial Statements (continued)

2 Significant Accounting Policies (continued)

(a) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company (continued)

(iii) Disclosure Initiative (Amendments to IAS 1)

In December 2014, IASB issued the amendments to IAS 1 covering five areas: materiality, disaggregation and subtotals, notes, disclosure of accounting policies, and presentation of other comprehensive income arising from investments accounted for under the equity method.

The amendments state that the materiality concept applies to the primary statements, notes and any specific disclosures required by IFRS.

The amendments clarified that line items, in the Statement of Financial Position or in the Statement of Comprehensive Income, can be aggregated or disaggregated as deemed relevant.

The amendments clarified that entities have flexibility around the structuring of the notes and emphasised that understandability and comparability should be considered when deciding the order of the notes.

The amendments provided guidance on how to identify significant accounting policies. The amendments clarified that the share of other comprehensive income from associates and joint ventures accounted for under the equity method must be presented in aggregate as a single line item, irrespective of whether it will be reclassified to profit or loss.

These amendments are effective for annual periods beginning on or after 1 January 2016. Earlier application is permitted. The Company will apply the new requirements when these amendments become effective.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Company.

2.2 Functional and Presentation Currency

The liquidity of the Company is managed on a day-to-day basis in Sterling and the Company's performance is evaluated in Sterling. Therefore, the Company considers the Sterling as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

2.3 Revenue

Revenue is represented by the Priority Profit Share earned from RIT Investments LP (the "Fund Partnership") as per clause 5 of the Fund Partnership Limited Partnership Agreement and General Partner's Share earned from RIT Carry LP (the "Carried Interest Partner") as per clause 6.2 of the Carried Interest Partner Limited Partnership Agreement on an accrual basis.

2.4 Expenses

All expenses and interest costs are accounted for on an accruals basis.

There were no employees employed by the Company during the year (2014: nil).

The emoluments of the directors are paid by the parent company, which makes no recharge to the Company. The directors are also on the board of a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries. Accordingly, the above details include no emoluments in respect of the directors. Total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of the parent company.

2.5 Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the United Kingdom tax laws enacted or substantively enacted at the balance sheet date. Directors establish provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Notes to the Financial Statements (continued)

2 Significant Accounting Policies (continued)

2.5 Taxation (continued)

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

2.6 Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprises of cash balances and deposits held at call and short notice with banks with original maturity of less than 90 days.

2.7 Other receivables

Other receivables do not carry any interest and are short-term in nature and are accordingly stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

2.8 Trade payables

Trade payables are not interest-bearing and are stated at their nominal value.

2.9 Going concern

The directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the directors are not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

3 Critical accounting estimates and judgements

The Company makes estimates and assumptions that affect the reported amounts of the assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4 Operating expenses

(All figures stated in £)	Year ended 31 December 2015	Year ended 31 December 2014
Accounting, administration and reporting services	42,924	42,248
Audit fees *	(7,687)	7,763
Tax compliance fees	2,833	4,500
Legal and professional fees	1,038	1,363
Bank charges	558	402
Other expenses	6,524	598
Total	**46,190**	**56,874**

* Audit fees borne by RIT Capital Partners plc for the year were £3,200 for RIT Investments GP Limited and £4,700 for RIT Investments LP.

Notes to the Financial Statements (continued)

5 Trade and other receivables

(All figures stated in £)	As at 31 December 2015	As at 31 December 2014
Due from related party	177,660	56,447
Total	**177,660**	**56,447**

6 Trade and other payables

(All figures stated in £)	As at 31 December 2015	As at 31 December 2014
Accruals	18,363	28,017
Trade payables	3,577	3,521
Due to parent company	15,260	15,100
Total	**37,200**	**46,638**

7 Share capital

(All figures stated in £)	As at 31 December 2015	As at 31 December 2014
Alloted, issued and fully paid		
1 ordinary share of £1	1	1
Total	**1**	**1**

8 Tax credit on profit on ordinary activities

(All figures stated in £)	Year ended 31 December 2015	Year ended 31 December 2014
Current tax:		
UK corporation tax on profits for the year	-	-
Adjustments in respect to previous year	-	-
Total current tax	-	-
Deferred tax:		
Origination and reversal of timing differences	-	-
Effect of change in tax rate	-	-
Total deferred tax	-	-
Tax credit on profit on ordinary activities	-	-

Notes to the Financial Statements (continued)

8 Tax credit on profit on ordinary activities (continued)

8.1 Factors affecting the tax charge for the year

The tax assessed on the profit on ordinary activities for the year is the standard rate of corporation tax in the UK.

The differences are explained below:

(All figures stated in £)	Year ended 31 December 2015	Year ended 31 December 2014
Profit before tax	54,837	44,140
Profit before tax multiplied by the standard rate of tax at 20.25% (2014: 21.49%)	11,103	9,487
Effect of:		
Income not taxable	(20,455)	(21,711)
Amounts not recognised	9,352	12,224
Tax credit on profit on ordinary activities	-	-

The standard rate of corporation tax in the UK changed from 21% to 20% with effect from 1 April 2015. Accordingly, the company's profits for this accounting year are taxed at an effective rate of 20.25%.

9 Related Party Transactions

The Company, in the normal course of business, enters into transactions with business enterprises that fall within the definition of a "related parties" as contained in IAS 24 – Related party disclosures. The directors are of the opinion that the terms of such transactions are not materially different from those that could have been obtained from third parties.

During the year the Company has paid and accrued expenses as disclosed in note 4 Operating expenses amounting to £37,160 (31 December 2014: £43,181) on behalf of the Fund Partnership as per clause 10.2.1(i) of the Limited Partnership Agreement of the Fund Partnership.

The balance of £177,660 (31 December 2014: £56,447) disclosed in note 5 'Trade and other receivables' is represented as per below:

The Company is the General Partner of the Fund Partnership which is therefore a related party. The Company is entitled to receive a priority share of the profits (the "Priority Profit Share") for each accounting period of £100,000 annually. Priority Profit Share received for the year ended 31 December 2015 amounted to £nil (31 December 2014: 100,000). Priority Profit Share payable by the Fund Partnership at the year end was £100,000 (31 December 2014: £nil).

The Company is the General Partner of the Carried Interest Partner which is therefore a related party. The Company is entitled to receive a General Partner's Share of £1,000 for each accounting period. General Partner's Share payable by the Carried Interest Partner at the year end was £4,000 (31 December 2014: £3,000).

The Company has paid expenses amounting to £17,048 (31 December 2014: £17,935) on behalf of the Carried Interest Partner during the year. The balance due from Carried Interest Partner at 31 December 2015 amounted to £50,727 (31 December 2014: £33,679).

The remaining amount of £22,933 (31 December 2014: £19,718) represents value added tax to be recovered from the Manager.

The Company owes £15,260 (31 December 2014: £15,100) to RIT Capital Partners plc for expenses paid on its behalf.

Notes to the Financial Statements (continued)

10 Financial Risk Management

(a) Financial Risk Factors

Risk management is integral to the business of the Company. The directors continually monitor the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term bank deposits with floating interest rates.

The Company is not subject to significant exposure to interest rate risk.

(ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has no foreign currency risk exposure.

(iii) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's maximum exposure to credit risk relates to the credit risk from its receivables and bank deposits as presented in the statement of financial position.

The Company's trade and other receivables represent balances due from related parties which based on the Company's experience were always settled within a 12-month period and there are no issues with recoverability. The Company doesn't believe it is a material issue on the collection of its receivables from related parties as it is within RIT group.

The Company assesses all counterparties; including the Fund Partnership investors (partners) for credit risk before contracting with them. The Company does not include any collateral or other credit risk enhancer, which may reduce the Company's exposure. At the reporting date, the Company has no material credit risk exposure.

(iv) Capital risk management

The capital of the Company is represented by the net assets. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The directors monitor capital on the basis of the value of Company's net assets.

Notes to the Financial Statements (continued)

10 Financial Risk Management (continued)

(a) Financial Risk Factors (continued)

(v) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Company reviews cash flow forecasts on quarterly basis to monitor liquidity requirements.

The table below summaries the maturity of the Company's assets.

(All figures stated in £) As at 31 December 2015	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Trade and other receivables	-	-	177,660	-	-	177,660
Cash and cash equivalents	-	20,914	-	-	-	20,914
Total	**-**	**20,914**	**177,660**	**-**	**-**	**198,574**

(All figures stated in £) As at 31 December 2014	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Trade and other receivables	-	-	56,447	-	-	56,447
Cash and cash equivalents	-	96,728	-	-	-	96,728
Total	**-**	**96,728**	**56,447**	**-**	**-**	**153,175**

The table below summaries the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(All figures stated in £) As at 31 December 2015	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Trade and other payables	-	37,200	-	-	-	37,200
Total	**-**	**37,200**	**-**	**-**	**-**	**37,200**

(All figures stated in £) As at 31 December 2014	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Trade and other payables	-	46,638	-	-	-	46,638
Total	**-**	**46,638**	**-**	**-**	**-**	**46,638**

Notes to the Financial Statements (continued)

10 Financial Risk Management (continued)

(b) Categories of financial assets and financial liabilities

Year ended 31 December 2015

(All figures stated in £) As at 31 December 2015	Loans and receivables	Assets at fair value through profit and loss	Derivatives used for hedging	Available for sale	Total
Assets as per Statement of Financial Position					
Trade and other receivables excluding pre-payments	177,660	-	-	-	177,660
Cash and cash equivalent	20,914	-	-	-	20,914
Total	**198,574**	**-**	**-**	**-**	**198,574**

(All figures stated in £) As at 31 December 2015	Liabilities at fair value through profit and loss	Derivatives used for hedging	Other financial liabilities at amortised cost	Total
Liabilities as per Statement of Financial Position				
Trade and other payables excluding non-financial liability	-	-	37,200	37,200
Total	**-**	**-**	**37,200**	**37,200**

Year ended 31 December 2014

(All figures stated in £) As at 31 December 2014	Loans and receivables	Assets at fair value through profit and loss	Derivatives used for hedging	Available for sale	Total
Assets as per Statement of Financial Position					
Trade and other receivables excluding pre-payments	56,447	-	-	-	56,447
Cash and cash equivalent	96,728	-	-	-	96,728
Total	**153,175**	**-**	**-**	**-**	**153,175**

(All figures stated in £) As at 31 December 2014	Liabilities at fair value through profit and loss	Derivatives used for hedging	Other financial liabilities at amortised cost	Total
Liabilities as per Statement of Financial Position				
Trade and other payables excluding non-financial liability	-	-	46,638	46,638
Total	**-**	**-**	**46,638**	**46,638**

The Company does not have any financial instruments carried at fair value.

Notes to the Financial Statements (continued)

11 Ultimate Controlling Party

The immediate controlling party of the Company is J. Rothschild Capital Management Limited, a wholly owned subsidiary of the ultimate controlling party, RIT Capital Partners plc.

The results of this business are consolidated in the RIT Capital Partners plc Financial Statements, which is the largest and smallest group to consolidate these results. The registered office address of RIT Capital Partners plc is 27 St James's Place, London, SW1A 1NR. These Financial Statements are available from www.ritcap.com.

RIT Carry LP

Report and Financial Statements

For the Year Ended 31 December 2015

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Overview of the Partnership

Partnership	RIT Carry LP, a Scottish limited partnership.
Partnership Number	SL010670
General Partner	RIT investments GP Limited.
Manager	J. Rothschild Capital Management Limited.
Commencement	30 April 2012.
Term of Partnership	Ninety days after the termination of RIT Investments LP.
Priority Profit Share	The General Partner shall be entitled to receive in each accounting period an annual General Partner's Share in the amount of £1,000.
Investment Objective	The purpose of the Partnership is to carry on, in Scotland and elsewhere, the business of a carried interest partner and to hold and benefit from an investment as carried interest partner in RIT Investments LP.

Report of the Manager

The General Partner, RIT Investments GP Limited, has appointed J. Rothschild Capital Management Limited (the "Manager") to manage the Partnership. The Manager presents the Financial Statements for RIT Carry LP (the "Partnership") for the year ended 31 December 2015.

Strategic Report

The Partnership is considered as "small" under Section 414B of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and it is therefore exempt from preparing a strategic report.

Financial Risk Management

The Manager continually monitors the Partnership's risk management process. A detailed review of the financial risk management is provided in note 10.

Going concern basis

After making an assessment, as per note 2.13 to the financial statements, the Manager has formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Partnership has adequate resources to continue in operational existence for the foreseeable future.

Disclosure of the information to the auditors

Each Member of the Partnership on the date that this report was approved, confirms that:

- so far as the Members are aware, there is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware; and
- each Member has taken all the steps that he ought to have taken as a Member in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies with part 15 of the Companies Act 2006.

Signed on behalf of the Manager

A.W. Jones
Director
J. Rothschild Capital Management Limited
5 MAY 2016

Statement of General Partner's Responsibilities in respect of the Financial Statements

The General Partner is responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the partnership financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards as adopted by the European Union 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 Partnership and group will continue in business.

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. The General Partner is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report to the Members of RIT Carry LP

Report on the financial statements

Our opinion

In our opinion, RIT Carry LP's financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2015 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

What we have audited

The financial statements, included within the Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 31 December 2015;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Cash Flows for the year then ended;
- the Statement of Changes in Net Assets Attributable to Partners for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the manager has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Manager's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of manager's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the manager were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the manager

As explained more fully in the Statement of General Partner's Responsibilities in respect of the Financial Statements set out on page [4], the manager is 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, has been prepared for and only for the members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent Auditors' Report to the Members of RIT Carry LP (continued)

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the manager; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the manager's judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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

Alison Morris (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

5 May 2016

Statement of Comprehensive Income

(All figures stated in £)	Notes	Year ended 31 December 2015	Year ended 31 December 2014
Income		-	-
Expenditure	4	(12,084)	(17,710)
Loss for the financial year		**(12,084)**	**(17,710)**

All results shown in the Statement of Comprehensive Income are from continuing operations.

Statement of Changes in Net Assets Attributable to Partners

Year ended 31 December 2015

(All figures stated in £)	Limited Partners	General Partner	Total
Net liabilities attributable to the Partners at 1 January 2015	**(44,017)**	**(3,000)**	**(47,017)**
Loss for the financial year	(11,084)	(1,000)	(12,084)
Net liabilities attributable to the Partners at 31 December 2015	**(55,101)**	**(4,000)**	**(59,101)**

Year ended 31 December 2014

(All figures stated in £)	Limited Partners	General Partner	Total
Net liabilities attributable to the Partners at 1 January 2014	**(27,307)**	**(2,000)**	**(29,307)**
Loss for the financial year	(16,710)	(1,000)	(17,710)
Net liabilities attributable to the Partners at 31 December 2014	**(44,017)**	**(3,000)**	**(47,017)**

The accompanying notes on pages 10 to 17 form an integral part of these financial statements.

Statement of Financial Position

(All figures stated in £)	Notes	As at 31 December 2015	As at 31 December 2014
Assets			
Non-current assets			
Financial assets held at fair value through profit or loss		10	10
Current assets			
Trade and other receivables	5	6,548	5,396
Cash and cash equivalents		170	5
Total Current assets		**6,718**	**5,401**
Total assets		**6,728**	**5,411**
Liabilities			
Current liabilities			
Trade and other payables	6	(65,829)	(52,428)
Net liabilities attributable to the Partners		**(59,101)**	**(47,017)**
Equity represented by:			
Capital Contribution account	7	15	15
Retained earnings	8	(59,116)	(47,032)
Total Partners' funds		**(59,101)**	**(47,017)**

The accompanying notes on pages 10 to 17 form an integral part of these financial statements.

The financial statements on pages 7 to 17 were approved by J. Rothschild Capital Management Limited as Manager to RIT Carry LP, on 5 MAY 2016.

Director of
J. Rothschild Capital Management Limited
5 MAY 2016

Statement of Cash Flows

(All figures stated in £)	Year ended 31 December 2015	Year ended 31 December 2014
Cash flow from operating activities		
Loss for the financial year	(12,084)	(17,710)
Increase in trade and other receivables	(1,152)	(2,772)
Increase in trade and other payables	13,401	20,472
Net cash inflow / (outflow) from operating activities	**165**	**(10)**
Cash flow from financing activities		
Partners' capital contributions received	-	-
Net cash inflow from financing activities	**-**	**-**
Net increase / (decrease) in cash during the year	**165**	**(10)**
Reconciliation of cash flow to movement in net cash		
Change in cash and cash equivalents	165	(10)
Cash and cash equivalents at beginning of year	5	15
Cash and cash equivalents at end of year	**170**	**5**

The accompanying notes on pages 10 to 17 form an integral part of these financial statements.

Notes to the Financial Statements

1 Background and Partnership Agreement

RIT Carry LP (the "Partnership") commenced on 30 April 2012 and is registered as a Partnership in Scotland to carry on the business of investing and, in particular, of identifying, negotiating, making, monitoring the progress of and realising, exchanging or distributing Investments and to carry out all functions and acts in connection therewith in accordance with Investment Strategy. The Partnership is registered as a Limited Partnership (Partnership Number SL010670) under the Limited Partnerships Act 1907, and is governed by the Limited Partnership Agreement ("Agreement"), amended and dated 20 July 2012.

The General Partner of the Partnership is RIT Investments GP Limited. The General Partner was established on 28 March 2012 and whose principal address is at 50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, Scotland. The General Partner appointed J. Rothschild Capital Management Limited (the "Manager") to manage the Partnership and its investment portfolio.

The Partnership shall terminate on the expiry of ninety days after the termination of the Fund Partnerships.

2 Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

2.1 Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by EU and the Companies Act 2006 as applied by the Partnership (Accounts) Regulation 2008. The financial statements have been prepared under the historical cost convention, except for financial assets that have been measured at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the Manager to exercise its judgement in the process of applying the Partnership's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

(a) New accounting standards / amendments issued but not yet effective and not early adopted

(i) IFRS 15, 'Revenue from Contracts with Customers'

In May 2014, IASB issued IFRS 15, 'Revenue from Contracts with Customers'. The core principle of the new standard is for companies to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the Partnership expects to be entitled in exchange for those goods or services.

The new standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

IFRS 15 is effective for annual periods beginning on or after 1 January 2018. The Partnership has yet to assess IFRS 15's full impact.

(ii) IFRS 9, 'Financial Instruments'

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income ("OCI") and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39.

The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Partnership is yet to assess IFRS 9's full impact.

Notes to the Financial Statements (continued)

2 Significant Accounting Policies (continued)

2.1 Basis of Preparation (continued)

(a) New accounting standards / amendments issued but not yet effective and not early adopted (continued)

(iii) Disclosure Initiative (Amendments to IAS 1)

In December 2014, IASB issued the amendments to IAS 1 covering five areas: materiality, disaggregation and subtotals, notes, disclosure of accounting policies, and presentation of other comprehensive income arising from investments accounted for under the equity method.

The amendments state that the materiality concept applies to the primary statements, notes and any specific disclosures required by IFRS.

The amendments clarified that line items, in the Statement of Financial Position or in the Statement of Comprehensive Income, can be aggregated or disaggregated as deemed relevant.

The amendments clarified that entities have flexibility around the structuring of the notes and emphasised that understandability and comparability should be considered when deciding the order of the notes.

The amendments provided guidance on how to identify significant accounting policies. The amendments clarified that the share of other comprehensive income from associates and joint ventures accounted for under the equity method must be presented in aggregate as a single line item, irrespective of whether it will be reclassified to profit or loss.

These amendments are effective for annual periods beginning on or after 1 January 2016. Earlier application is permitted. The Partnership will apply the new requirements when these amendments become effective.

(iv) Investment Entities, Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 27)

In December 2014, IASB issued the amendments to IFRS 10, IFRS 12 and IAS 27 providing clarification on the application of consolidation exception for investment entities including its subsidiaries.

The amendments clarify that intermediate parent entities which are subsidiaries of investment entities can also avail the exception from preparing consolidated financial statements.

The amendments also clarify that a subsidiary that provides services related to the investment activities of its investment entity parent should be consolidated.

However, if such subsidiary is also an investment entity, then such subsidiary should also be measured at fair value through profit or loss by the parent investment entity.

The amendments now also allow a non-investment entity parent to retain the fair value measurement applied by the investment entity associate or joint venture to its subsidiaries.

The amendments are effective for annual periods beginning on or after 1 January 2016. Earlier application is permitted. The Partnership will apply the new requirements when these amendments become effective.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Partnership.

Notes to the Financial Statements (continued)

2 Significant Accounting Policies (continued)

2.2 Functional and Presentation Currency

The primary objective of the Partnership is to generate returns in Sterling, its capital raising currency. The liquidity of the Partnership is managed on a day-to-day basis in Sterling and the Partnership's performance is evaluated in Sterling. Therefore, the General Partner considers Sterling as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

2.3 Revenue Recognition

Interest income is recognised in the Statement of Comprehensive Income for all financial interest-bearing financial instruments using the effective interest method.

2.4 Expenses

All expenses are accounted for on an accruals basis.

2.5 General Partner's Share

In respect of each Accounting Period, there shall be allocated and paid to the General Partner the General Partner's Share to the amount of £1,000 in accordance with Limited Partnership Agreement ("LPA") clause 6.2. The General Partner's Share shall be paid as a priority share of all net income and capital gains received by the Partnership. Such amount allocated to the General Partner shall reduce the amounts of net income and capital gains available for allocation in accordance with LPA clause 6.3. Profits and losses shall be allocated to the accounts of the Partners such as shall reflect the entitlement of those Partners to receive distributions made in accordance with LPA clause 6.4. The Manager may allocate items of net income and capital gain to the accounts of the Partners in such manner as it may, in its sole discretion, determine. Such sums are not recoverable, except against future net income and realised gains of the Partnership. Under IFRS, the Partnership has recognised the General Partner's Share as an expense through profit or loss on an accrual basis

2.6 Foreign Currencies

Transactions in currencies other than Sterling are recorded at the rate of exchange prevailing on the dates of the transactions. At each Statement of Financial Position date, monetary items and non-monetary assets and liabilities that are fair valued and are denominated in foreign currencies are retranslated at the rates prevailing on the year end date. Foreign exchange gains and losses arising from translation are included in the Statement of Comprehensive Income. Foreign exchange gains and losses relating to the financial assets carried at fair value through profit or loss are presented in the Statement of Comprehensive Income within 'Other net changes in fair value of financial assets at fair value through profit or loss'.

2.7 Taxation

The Partnership is not subject to taxation and no provision for taxation has been made in the financial statements. Any tax on income or capital is the responsibility of each individual Partner.

2.8 Financial assets at fair value through profit or loss

Investments are recognised and derecognised on the trade date where a purchase or sale is made under a contract whose terms require delivery within the timeframe established by the market concerned and are initially measured at fair value.

The Partnership's investment is in RIT Investments LP (the "Fund Partnership"). The Partnership is the Carried Interest Partner in the Fund Partnership and as such has an interest in every asset of the Fund Partnership. The Partnership is entitled to receive a share of the Fund Partnership's profits in accordance with clause 7 of the Fund Partnership's LPA.

Investments are derecognised when the rights to receive cash flows from the investments have expired or the Partnership has transferred substantially all risks and rewards of ownership.

Notes to the Financial Statements (continued)

2 Significant Accounting Policies (continued)

2.9 Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprises of cash balances and deposits held at call and short notice with banks with original maturity of less than 90 days.

2.10 Trade and other receivables

Other receivables do not carry any interest and are short-term in nature and are accordingly stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

2.11 Trade and other payables

Trade payables are not interest-bearing and are stated at their nominal value.

2.12 Net assets attributable to the Partners

The Partnership's contributed capital consists of capital contribution in relation to each Partner, the amount shown in the books of account of the Partnership as contributed by each Partner to the Capital of the Partnership. Net assets attributable to the Partners are classified as a financial liability due to the finite life and contractual payment provisions to each of the Partners within the LPA. Net assets attributable to the Partners are carried at amortised cost.

2.13 Going concern

The Manager has made an assessment of the Partnership's ability to continue as going concern and is satisfied that the Partnership has the resources to continue in business for the foreseeable future. Furthermore, the Manager is not aware of any material uncertainties that may cast significant doubt upon the Partnership's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

3 Critical accounting estimates and judgements

The Partnership makes estimates and assumptions that affect the reported amounts of the assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Determination of functional currency

Functional currency is the currency of the primary economic environment in which the Partnership operates. When indicators of the primary economic environment are mixed, management uses its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. Management has determined that the functional currency of the Partnership is Sterling as noted in note 2.2.

4 Expenditure

(All figures stated in £)	Year ended 31 December 2015	Year ended 31 December 2014
General Partner's Share	1,000	1,000
Legal and professional fees	600	600
Accounting, administration and reporting services	10,704	10,536
Audit fees *	(2,580)	2,606
Tax compliance fees	417	2,500
Bank fees	337	300
Other Expenses	1,606	168
Total	**12,084**	**17,710**

* Audit fees borne by RIT Capital Partners plc for the year were £2,650.

Notes to the Financial Statements (continued)

5 Trade and other receivables

(All figures stated in £)	As at 31 December 2015	As at 31 December 2014
Due from Related Party	6,548	5,396
Total	**6,548**	**5,396**

6 Trade and other payables

(All figures stated in £)	As at 31 December 2015	As at 31 December 2014
Accruals	7,210	11,871
Trade payables	892	878
Due to Related Party	3,000	3,000
Due to General Partner	54,727	36,679
Total	**65,829**	**52,428**

7 Capital Contribution Account

The Limited Partners made their Capital Contributions totalling £15, as provided in clause 4 of the LPA. The General Partner shall not make a Capital Contribution.

7.1 Distributions to Partners

All cash or other proceeds or amounts received by the Partnership from the Fund Partnerships (as determined by the Manager) shall, after payment of any expenses and liabilities of the Partnership and subject to clause 6.5 of LPA, be distributed by the Manager as soon as practicable following receipt as follows:

(a) any amount received by the Partnership and attributed to the Partnership's interest in the Fund Partnership shall be paid firstly to the General Partner, in its capacity as general partner, until it has received aggregate distributions equal to the General Partner's Share; and thereafter

(b) to the Limited Partners in proportion to their respective Relevant Proportion as at the date of the relevant allocation to which this distribution relates,

provided that a Limited Partner that has not been allocated a relevant Proportion in respect to one of the Fund Partnerships shall not participate in cash or other proceeds or amounts received by the Partnership from such Fund Partnership.

During the year, the Partnership distributed £nil (31 December 2014: £nil) to the Partners.

8 Retained Earnings

(All figures stated in £)	Year ended 31 December 2015	Year ended 31 December 2014
Opening balance	(47,032)	(29,322)
Loss for the financial year	(12,084)	(17,710)
Closing balance	**(59,116)**	**(47,032)**

Notes to the Financial Statements (continued)

9 Related Party Transactions

The Partnership, in the normal course of business, enters into transactions with business enterprises that fall within the definition of a "related parties" as contained in IAS 24 – Related party disclosures. The General Partner is of the opinion that the terms of such transactions are not materially different from those that could have been obtained from third parties.

The General Partner, is a related party of the Partnership, and has appointed the Manager to be responsible for the financial and operating decisions of the Partnership. The General Partner is entitled to receive a General Partner's Share. The amount of the General Partner's Share for each Accounting Period is equal to £1,000 (note 2.5). General Partner's Share payable at the year end is £4,000 (31 December 2014: £3,000).

The General Partner has paid expenses amounting to £17,048 (31 December 2014: £17,935) on behalf of the Partnership during the year. As at 31 December 2015 the Partnership owes the General Partner £54,727 (2014: £36,679).

The Partnership owes £3,000 (31 December 2014: £3,000) to RIT Capital Partners Plc for expenses paid on its behalf.

The balance of £6,548 (31 December 2014: £5,396) disclosed in note 5 'Trade and other receivables' represents value added tax to be recovered from the Manager.

10 Financial Risk Management

Financial Risk Factors

Risk management is integral to the business of the Partnership. The General Partner continually monitors the Partnership's risk management process to ensure that an appropriate balance between risk and control is achieved.

10.1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, equity price risk. Financial instruments affected by market risk include bank deposits, investments, receivables and payables.

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Partnership's exposure to the risk of changes in market interest rates relates primarily to the Partnership's short-term bank deposits with floating interest rates. The Partnership does not have interest bearing cash flows from investments.

The Partnership is not subject to significant exposure to interest rate risk.

(b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Partnership has no material foreign currency risk exposure.

(c) Price Risk

The Partnership's exposure to price risk is due to its capacity of acting as Carried Interest Partner of the Fund Partnership. The ultimate carried interest that the Partnership will receive is dependent upon how the investments of the Fund Partnership perform in the long run.

10.2 Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Partnership is exposed to credit risk from receivables and bank deposits.

As at 31 December 2015, the Partnership does not have any material credit risk exposure. Bank accounts are limited to financial institutions with credit ratings of A or higher as rated by Standard and Poor's. The Manager monitors credit ratings on a regular basis.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the Statement of Financial Position. No financial assets are past due or impaired at 31 December 2015 or 31 December 2014.

Notes to the Financial Statements (continued)

10 Financial Risk Management

10.3 Liquidity Risk

Liquidity risk is the risk that the Partnership may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Partnership reviews cash flow forecasts on quarterly basis to monitor liquidity requirements.

The table below summarises the maturity profile of the Partnership's assets.

(All figures stated in £) As at 31 December 2015	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Trade and other receivables	-	-	6,548	-	-	6,548
Cash and cash equivalents	-	170	-	-	-	170
Total	**-**	**170**	**6,548**	**-**	**-**	**6,718**

(All figures stated in £) As at 31 December 2014	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Trade and other receivables	-	-	5,396	-	-	5,396
Cash and cash equivalents	-	5	-	-	-	5
Total	**-**	**5**	**5,396**	**-**	**-**	**5,401**

The table below summarises the maturity profile of the Partnership's financial liabilities based on contractual undiscounted payments.

(All figures stated in £) As at 31 December 2015	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Trade and other payables	-	65,829	-	-	-	65,829
Net assets attributable to the Partners	-	-	-	-	(59,101)	(59,101)
Total	**-**	**65,829**	**-**	**-**	(59,101)	**6,728**

(All figures stated in £) As at 31 December 2014	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Trade and other payables	-	52,428	-	-	-	52,428
Net assets attributable to the Partners	-	-	-	-	(47,017)	(47,017)
Total	**-**	**52,428**	**-**	**-**	**(47,017)**	**5,411**

Notes to the Financial Statements (continued)

11 Capital risk management

The capital of the Partnership is represented by the net assets attributable to the Partners. The Partnership's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for Partners and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Partnership. In order to maintain or adjust the capital structure, the Manager may call Loan Commitment from the Limited Partners or distribute funds to the Limited Partners.

The Manager monitors capital on the basis of the value of net assets attributable to the Partners.

12 Ultimate Controlling Party

In the opinion of the Manager, RIT Capital Partners plc is the ultimate controlling party.

Management and Administration

General Partner

RIT Investments GP Limited
50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, Scotland

Board of Directors of RIT Investments GP Limited, the General Partner:

Andrew Jones
Katie Thorpe
Christopher Wise
27 St James's Place, London SW1A 1NR

Legal Advisors

O'Melveny & Myers LLP
Warwick Court, 5 Paternoster Square, London EC4M 7DX

Independent Administrator

Augentius (UK) Limited
Two London Bridge, London SE1 9RA

Manager

J. Rothschild Capital Management Limited
27 St James's Place, London SW1A 1NR

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside, London SE1 2RT

Partnership Address

RIT Carry LP
50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, Scotland

For additional information please contact:

Mr. Ashley Stevens
Tel: +44 (0) 20 7514 1981
E-mail: astevens@ritcap.co.uk

RIT Investments LP

Report and Financial Statements
For the Year ended 31 December 2015

TUESDAY

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Overview of the Partnership

Partnership	RIT Investments LP, a Scottish limited partnership.
Partnership Number	SL010671
General Partner	RIT Investments GP Limited.
Manager	J. Rothschild Capital Management Limited.
Closing	20 June 2012.
Investment Period	The period from the Closing date to 31 December 2014.
Term of Partnership	Thirteen years from Closing with up to two one year extensions.
Preferred Return	8% per annum compounded annually on the balance of the excess of aggregate loan drawdowns over aggregate distributions.
Priority Profit Share	The General Partner shall be entitled to receive in each accounting period an annual priority share of profits in the amount of £100,000.
Carried Interest	An amount equal to 1/9 of the Preferred Return and 10% of subsequent returns.
Investment Objective	The Partnership's investment objective is to provide Partners with a return by means of income and long term capital appreciation.
Carried Interest Partners	RIT Carry LP.

Partnership's Performance Summary

(All figures stated in £)	Period from inception on 20 June 2012 to 31 December 2015
Capital at Risk	
Cumulative contributions	44,314,547
Cumulative distributions	(24,320,601)
Capital at Risk	**19,993,946**

(All figures stated in £)	Year ended 31 December 2015	Period from inception on 20 June 2012 to 31 December 2015
Reconciliation of Net Asset Value		
Net Asset Value at the start of the year	**16,220,476**	-
Amounts contributed	-	44,314,547
Distributions to Limited Partner	-	(24,320,601)
Interest income	2	2,029,019
Other net changes in fair value of financial assets at fair value through profit or loss	(8,802,596)	(12,696,383)
Interest expense	(27,374)	(61,288)
Deal fees	-	(4,980)
Net unrealised loss on foreign currency exchange	-	(83)
Bank charges	-	(30)
General Partner's Share	(100,000)	(353,425)
Realised losses on financial assets held at fair value through profit or loss	-	(1,616,268)
Net Asset Value attributable to Partners	**7,290,508**	**7,290,508**

Report of the Manager

The General Partner, RIT Investments GP Limited, has appointed J. Rothschild Capital Management Limited (the "Manager") to manage the Partnership. The Manager presents the financial statements for RIT Investments LP (the "Partnership") for the year ended 31 December 2015.

Strategic Report

The Partnership is considered as "small" under Section 414B of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and it is therefore exempt from preparing a strategic report.

Financial Risk Management

The Manager continually monitors the Partnership's risk management process. A detailed review of the financial risk management is provided in note 12.

Disclosure of the information to the auditors

Each Member of the Partnership on the date that this report was approved, confirms that:

- so far as the Members are aware, there is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware; and
- each Member has taken all the steps that he ought to have taken as a Member in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies with part 15 of the Companies Act 2006.

Signed on behalf of the Manager

A.W. Jones
Director
J. Rothschild Capital Management Limited
5 May 2016

Statement of General Partner's Responsibilities in respect of the Financial Statements

The General Partner is responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations.

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has prepared the partnership financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law as applied to qualifying partnerships the General Partner must not approve the financial statements unless it is satisfied that they give a true and fair view of the state of affairs of the Partnership and of the profit or loss of the Partnership for that period. In preparing these financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership and group will continue in business

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable it to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. The General Partner is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report to the Members of RIT Investments LP

Report on the financial statements

Our opinion

In our opinion, RIT Investments LP's financial statements (the "financial statements"):

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2015 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

What we have audited

The financial statements, included within the Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 31 December 2015;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Cash Flows for the year then ended;
- the Statement of Changes in Net Assets Attributable to Partners for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the general partner has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, it has made assumptions and considered future events.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

General Partner's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of general partner's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the general partner were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the general partner

As explained more fully in the Statement of Members' Responsibilities, the general partner is 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, has been prepared for and only for the members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent Auditors' Report to the Members of RIT Investments LP (continued)

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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 qualifying partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the general partner; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the general partner's judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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

Alison Morris (Senior Statutory Auditor)

For and on behalf of Pricewaterhouse Coopers LLP

Chartered Accountants and Statutory Auditors

London

5 May 2016

Statement of Comprehensive Income

(All figures stated in £)	Notes	Year ended 31 December 2015	Year ended 31 December 2014
Loan interest income		2	1,360,173
Realised loss on financial assets held at fair value through profit or loss		-	(1,616,268)
Losses on financial assets held at fair value	5	(8,802,596)	(4,750,746)
Total net loss		**(8,802,594)**	**(5,006,841)**
Expenditure	4	(127,374)	(134,027)
Loss for the financial year		**(8,929,968)**	**(5,140,868)**

All results shown in the Statement of Comprehensive Income are from continuing operations.

Statement of Changes in Net Assets Attributable to Partners

Year ended 31 December 2015

(All figures stated in £)	Limited Partner	Carried Interest Partner	General Partner	Total
Net assets attributable to the Partners at 1 January 2015	**16,320,466**	**10**	**(100,000)**	**16,220,476**
Loan Contributions	-	-	-	-
Loan Distributions	-	-	-	-
Loss for the financial year	(8,829,968)	-	(100,000)	(8,929,968)
Net assets attributable to the Partners at 31 December 2015	**7,490,498**	**10**	**(200,000)**	**7,290,508**

Year ended 31 December 2014

(All figures stated in £)	Limited Partner	Carried Interest Partner	General Partner	Total
Net assets attributable to the Partners at 1 January 2014	**38,273,170**	**10**	**-**	**38,273,180**
Loan Contributions	7,033,720	-	-	7,033,720
Loan Distributions	(23,945,556)	-	-	(23,945,556)
Loss for the financial year	(5,040,868)	-	(100,000)	(5,140,868)
Net assets attributable to the Partners at 31 December 2014	**16,320,466**	**10**	**(100,000)**	**16,220,476**

The accompanying notes on pages 11 to 22 form an integral part of these financial statements.

Statement of Financial Position

(All figures stated in £)	Notes	As at 31 December 2015	As at 31 December 2014
Assets			
Non-current assets			
Financial assets held at fair value through profit or loss	6	7,403,774	16,206,370
Current assets			
Trade and other receivables	7	43,527	43,367
Cash and cash equivalents		4,496	4,703
Total Current assets		**48,023**	**48,070**
Total assets		**7,451,797**	**16,254,440**
Liabilities			
Current liabilities			
Trade and other payables	8	(161,289)	(33,964)
Net assets attributable to the Partners		**7,290,508**	**16,220,476**
Equity represented by:			
Capital Contribution account	9	101	101
Loan account	9	44,314,446	44,314,446
Loan distributions to Limited Partner	9	(24,320,601)	(24,320,601)
Retained Earnings	10	(12,703,438)	(3,773,470)
Total Partners' funds		**7,290,508**	**16,220,476**

The accompanying notes on pages 11 to 22 form an integral part of these financial statements.

The financial statements on pages 8 to 22 were approved by J. Rothschild Capital Management Limited as Manager to RIT Investments LP, on 5 MAY 2016.

A.W. JONES

Director of
J. Rothschild Capital Management Limited
5 MAY 2016

Statement of Cash Flows

(All figures stated in £)	Year ended 31 December 2015	Year ended 31 December 2014
Cash flow from operating activities		
Loss for the financial year	(8,929,968)	(5,140,868)
Change in net realised losses on investments at fair value through profit or loss	-	1,616,268
Losses on financial assets held at fair value	8,802,596	4,750,746
(Increase) / decrease in trade and other receivables	(160)	282,007
Increase in payables	127,325	28,983
Loan interest offset against distributions to Limited Partner	-	(1,653,958)
Net cash outflow from operating activities	**(207)**	**(116,822)**
Cash flow from financing activities		
Partners' loan contributions received	-	100,000
Net cash inflow from financing activities	**-**	**100,000**
Net decrease in cash during the year	**(207)**	**(16,822)**
Reconciliation of cash flow to movement in net cash		
Change in cash and cash equivalents	(207)	(16,822)
Cash and cash equivalents at beginning of the year	4,703	21,525
Cash and cash equivalents at end of the year	**4,496**	**4,703**

The accompanying notes on pages 11 to 22 form an integral part of these financial statements.

Notes to the Financial Statements

1 Background and Partnership Agreement

RIT Investments LP (the "Partnership") commenced on 20 June 2012 ("Inception") and is registered as a Partnership in Scotland to carry on the business of investing and, in particular, of identifying, negotiating, making, monitoring the progress of and realising, exchanging or distributing Investments and to carry out all functions and acts in connection therewith in accordance with Investment Strategy. The Partnership is registered as a Limited Partnership (Partnership Number SL10671) under the Limited Partnerships Act 1907, and is governed by the Limited Partnership Agreement (the "LPA"), amended and dated 20 June 2012.

The General Partner of the Partnership is RIT Investments GP Limited. The General Partner was established on 28 March 2012 and whose principal address is at 50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, Scotland. The General Partner appointed J. Rothschild Capital Management Limited (the "Manager") to manage the Partnership and its investment portfolio.

The Partnership will terminate on 19 June 2025 and shall continue provided that the life of the Partnership may be extended by the agreement of the ultimate General Partner and of the Investors by an Investors' Ordinary Consent, by up to two additional one year periods.

2 Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

2.1 Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by EU and the Companies Act 2006 as applied by the Partnership (Accounts) Regulation 2008. The financial statements have been prepared under the historical cost convention, except for financial assets that have been measured at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires the Manager to exercise its judgement in the process of applying the Partnership's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assumptions changed. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The Partnership meets the definition of an investment entity as defined by IFRS 10 and is required to account for the investments in subsidiaries at fair value through profit and loss.

(a) New accounting standards / amendments issued but not yet effective and not early adopted

(i) IFRS 15, 'Revenue from Contracts with Customers'

In May 2014, IASB issued IFRS 15, 'Revenue from Contracts with Customers'. The core principle of the new standard is for companies to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the Partnership expects to be entitled in exchange for those goods or services.

The new standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

IFRS 15 is effective for annual periods beginning on or after 1 January 2018. The Partnership has yet to assess IFRS 15's full impact.

(ii) IFRS 9, 'Financial Instruments'

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income ("OCI") and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39.

Notes to the Financial Statements (continued)

2 Significant Accounting Policies (continued)

2.1 Basis of Preparation (continued)

(a) New accounting standards / amendments issued but not yet effective and not early adopted (continued)

(ii) IFRS 9, 'Financial Instruments' (continued)

The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Partnership is yet to assess IFRS 9's full impact.

(iii) Disclosure Initiative (Amendments to IAS 1)

In December 2014, IASB issued the amendments to IAS 1 covering five areas: materiality, disaggregation and subtotals, notes, disclosure of accounting policies, and presentation of other comprehensive income arising from investments accounted for under the equity method.

The amendments state that the materiality concept applies to the primary statements, notes and any specific disclosures required by IFRS.

The amendments clarified that line items, in the Statement of Financial Position or in the Statement of Comprehensive Income, can be aggregated or disaggregated as deemed relevant.

The amendments clarified that entities have flexibility around the structuring of the notes and emphasised that understandability and comparability should be considered when deciding the order of the notes.

The amendments provided guidance on how to identify significant accounting policies. The amendments clarified that the share of other comprehensive income from associates and joint ventures accounted for under the equity method must be presented in aggregate as a single line item, irrespective of whether it will be reclassified to profit or loss.

These amendments are effective for annual periods beginning on or after 1 January 2016. Earlier application is permitted. The Partnership will apply the new requirements when these amendments become effective.

(iv) Investment Entities, Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 27)

In December 2014, IASB issued the amendments to IFRS 10, IFRS 12 and IAS 27 providing clarification on the application of consolidation exception for investment entities including their subsidiaries.

The amendments clarify that intermediate parent entities which are subsidiaries of investment entities can also avail the exception from preparing consolidated financial statements.

The amendments also clarify that a subsidiary that provides services related to the investment activities of its investment entity parent should be consolidated.

However, if such subsidiary is also an investment entity, then such subsidiary should also be measured at fair value through profit or loss by the parent investment entity.

The amendments now also allow a non-investment entity parent to retain the fair value measurement applied by the investment entity associate or joint venture to its subsidiaries.

The amendments are effective for annual periods beginning on or after 1 January 2016. Earlier application is permitted. The Partnership will apply the new requirements when these amendments become effective.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Partnership.

Notes to the Financial Statements (continued)

2 Significant Accounting Policies (continued)

2.2 Investment entity

The Partnership has been deemed to meet the definition of an investment entity per IFRS 10 as the following conditions exist:

- The Partnership has obtained funds for the purpose of providing investors with investment management services.
- The Partnership's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income, through the use of investment vehicles.
- The performance of investments made through the investment vehicles are measured and evaluated on a fair value basis.

Although the Partnership does not meet all of the typical characteristics of an investment entity (namely, the Partnership does not have multiple investors), the General Partner believes it is nevertheless an investment entity because its main purpose is to generate income / capital gain, carries its investments at fair value and provides investment management services to its investor.

2.3 Functional and Presentation Currency

The primary objective of the Partnership is to generate returns in Sterling, its capital raising currency. The liquidity of the Partnership is managed on a day-to-day basis in Sterling and the Partnership's performance is evaluated in Sterling. Therefore, the General Partner considers the Sterling as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

2.4 Revenue Recognition

Interest income is recognised in the Statement of Comprehensive Income for all financial interest-bearing financial instruments using the effective interest method.

Dividend income from financial assets at fair value through profit or loss is recognised in the Statement of Comprehensive Income within dividend income when the Partnership's right to receive payments is established.

2.5 Expenses

All expenses and interest costs are accounted for on an accruals basis.

2.6 General Partner's Share

The General Partner shall be entitled to receive and there shall be allocated to the General Partner in respect of each Accounting Period, an annual priority share of profits in the amount of £100,000. The General Partner's Share shall rank as a first charge on Net Income in any Accounting Period. If Net Income in any Accounting Period is more than the General Partner's Share to be allocated to the General Partner, the General Partner shall be entitled to elect, so far as practicable, which items of Net Income and/or Capital Gains shall form the whole or a part of the share allocated to the General Partner. Such sums are not recoverable, except against future net income and realised gains of the Partnership. Under IFRS, the Partnership has recognised the General Partner's Share as an expense through profit or loss on an accrual basis.

2.7 Foreign Currencies

Transactions in currencies other than Sterling are recorded at the rate of exchange prevailing on the dates of the transactions. At each Statement of Financial Position date, monetary items and non-monetary assets and liabilities that are fair valued and are denominated in foreign currencies are retranslated at the rates prevailing on the period end date. Foreign exchange gains and losses arising from translation are included in the Statement of Comprehensive Income. Foreign exchange gains and losses relating to the financial assets carried at fair value through profit or loss are presented in the Statement of Comprehensive Income within 'Other net changes in fair value of financial assets at fair value through profit or loss'.

2.8 Taxation

The Partnership is not subject to taxation and no provision for taxation has been made in the financial statements. Any tax on income or capital is the responsibility of each individual Partner.

Notes to the Financial Statements (continued)

2 Significant Accounting Policies (continued)

2.9 Financial assets at fair value through profit or loss

Investments are recognised and derecognised on the trade date where a purchase or sale is made under a contract whose terms require delivery within the timeframe established by the market concerned and are initially measured at fair value.

All of the Partnership's investments are designated by the General Partner as fair value through profit and loss but are also described in these financial statements as investments held at fair value.

Unquoted investments are valued at fair value in accordance with IFRS having regard to International Private Equity and Venture Capital Valuation Guidelines as recommended by the British Venture Capital Association.

In respect of unquoted instruments, or where the market for a financial instrument is not active, fair value is established by using valuation techniques, which may include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instruments that is substantially the same and discounted cash flow analysis. Where there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, that technique is utilised. Where no reliable fair value can be estimated for such unquoted equity instruments, they are carried at cost, subject to any provisions for impairment. Foreign exchange gains and losses arising on investments held at fair value are included within the changes in their values.

Investments in subsidiaries are valued at fair value of the Partnership's percentage holding based on the net asset values of the subsidiaries. The General Partner makes changes to the net asset values to obtain the best estimate of fair values.

Financial assets at fair value through profit or loss are initially recognised at fair value. Transaction costs are recognised in the Statement of Comprehensive Income when incurred. Subsequent to initial recognition investments are measured at fair value. Any realised and unrealised gains/(losses) are recognised in Statement of Comprehensive Income for the period within, 'Other net changes in fair value of financial assets at fair value through profit or loss'.

Investments are derecognised when the rights to receive cash flows from the investments have expired or the Partnership has transferred substantially all risks and rewards of ownership.

2.10 Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprises cash balances and deposits held at call and short notice with banks with original maturity of less than 90 days.

2.11 Trade and other receivables

Other receivables do not carry any interest and are short-term in nature and are accordingly stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

2.12 Trade and other payables

Trade payables are not interest-bearing and are stated at their nominal value.

2.13 Net assets attributable to the Partners

The Partnership's contributed capital consists of two different classes. Net assets attributable to the Partners are classified as a financial liability due to the finite life and contractual payment provisions to each of the Partners within the LPA. Net assets attributable to the Partners are carried at amortised cost.

2.14 Going concern

The Manager has made an assessment of the Partnership's ability to continue as going concern and is satisfied that the Partnership has the resources to continue in business for the foreseeable future. Furthermore, the Manager is not aware of any material uncertainties that may cast significant doubt upon the Partnership's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Notes to the Financial Statements (continued)

3 Critical accounting estimates and judgements

The Partnership makes estimates and judgements that affect the reported amounts of the assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Valuation of financial instruments

Direct investments in unquoted companies

The Partnership holds investments that are not quoted in active markets. Fair values of such investments are determined using valuations techniques common in the Private Equity Fund's environment primarily being earning multiples, discounted cash flows and recent comparable transactions. The inputs in earning multiples models include observable data such as earning multiples of listed comparable companies in the relevant portfolio company, and unobservable data such as forecast earnings of the portfolio company. In discounted cash flow models, unobservable inputs are the projected cash flows of the relevant portfolio companies and the risk premium for liquidity and credit risk that are incorporated into the discount rate. However, the discount rates used for rating equity securities are determined based on historic equity returns for other entities operating in the same industry for which market returns are observable. Management uses models to adjust the observed equity returns to reflect the actual debt/equity financing structure of the valued equity investment. Where valuation techniques are used to determined fair values, they are validated and periodically reviewed by the Manager.

The Partnership's accounting policy on fair value measurements is discussed in note 2.9. The Partnership measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques for which all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

All the Partnership investments are categorised into level 3 above.

(b) Determination of functional currency

Functional currency is the currency of the primary economic environment in which the Partnership operates. When indicators of the primary economic environment are mixed, management uses its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. Management has determined that the functional currency of the Partnership is Sterling as noted in note 2.3.

4 Expenditure

(All figures stated in £)	Year ended 31 December 2015	Year ended 31 December 2014
General Partner's Share	100,000	100,000
Net unrealised loss on foreign currency exchange	-	83
Bank fees	-	30
Interest expense	27,374	33,914
Total	**127,374**	**134,027**

Notes to the Financial Statements (continued)

5 Other net changes in fair value on financial assets at fair value through profit or loss

(All figures stated in £)	Year ended 31 December 2015	Year ended 31 December 2014
Unrealised movement on investment base values	(8,802,596)	(6,741,373)
Unrealised foreign exchange movement in investment values	-	1,990,627
Total	**(8,802,596)**	**(4,750,746)**

6 Financial assets held at fair value through profit or loss

Year ended 31 December 2015

(All figures stated in £)	Opening Balance As at 1 January 2015 Cost	Opening Balance As at 1 January 2015 Valuation	Additions/ (disposals) during year	Cumulative Unrealised movement on investment base values	Cumulative Unrealised foreign exchange movement in investment values	Closing Balance As at 31 December 2015 Cost	Closing Balance As at 31 December 2015 Valuation	% held as at 31 December 2015
Tamar Energy Limited*								
Investor Ordinary Shares	20,100,000	15,400,000	-	(8,200,000)	-	20,100,000	7,200,000	20.30%
Sponsor Warrant Shares	157	157	-	-	-	157	157	
RIT Investments US**								
Relationship Science Series B Preferred Shares	1,946,283	2,731,635	-	(602,596)	110,754	1,946,283	2,239,793	1.61%
Payable for Investment	(1,946,283)	(1,925,422)	-	-	(110,754)	(1,946,283)	(2,036,176)	
Total	**20,100,157**	**16,206,370**	**-**	**(8,802,596)**	**-**	**20,100,157**	**7,403,774**	

* Tamar Energy Limited was transferred into the Partnership by RIT Capital Partners plc by way of loan commitment.

** The shares in Relationship Science LLC were transferred into beneficial ownership of a wholly owned subsidiary of the Partnership, RIT Investments US Inc., on 24 June 2013 by transfer from RIT Capital Partners Media Inc for an aggregate purchase price of $3,000,001 (being equivalent to £1,946,283 on transfer). This is payable by the subsidiary of the Partnership at any time on or before the seventh anniversary of 24 June 2013. RIT Investments US Inc was incorporated on 5 June 2013 in Delaware and has been accounted for at fair value, rather than consolidated, in accordance with IFRS 10.

7 Trade and other receivables

(All figures stated in £)	As at 31 December 2015	As at 31 December 2014
Due from Related Party	43,527	43,367
Total	**43,527**	**43,367**

8 Trade and other payables

(All figures stated in £)	As at 31 December 2015	As at 31 December 2014
Due to GP	100,000	-
Due to Related Party	-	50
Interest payable	61,289	33,914
Total	**161,289**	**33,964**

Notes to the Financial Statements (continued)

9 Partners' Capital

The Partnership has two categories of contributions. Capital contributions which are contributions made at inception of the Partnership and amount to £101. Loan commitments which are contributions made on a needs basis as required by the Manager to make investment acquisitions or to meet working capital requirements. As at 31 December 2015, the Manager has drawn £44,314,446 (31 December 2014: £44,314,446) from the Partners as loan commitments.

9.1 Distributions of Income Proceeds and Capital Proceeds

After payment of the expenses and liabilities of the Partnership and subject to LPA clauses 5, 7.2, 7.3, 7.5 and 7.6, all Income Proceeds and Capital Proceeds received by the Partnership in respect of any Investment will be distributed as between the Partners in the following order of priority:

(a) first, in payment of the Priority Profit Share (less any amounts already drawn in respect of the Priority Profit Share under LPA clause 5.3);

(b) second, to the Limited Partners pro rata to their respective Commitments until the Limited Partners have been repaid the Outstanding Loans;

(c) third, to the Limited Partners pro rata to their respective Commitments in payment of an amount equal to the Preferred Return;

(d) fourth, to the Carried Interest Partner, until it has received an amount equal to 1/9 of the Preferred Return (being an amount equal to 10% of what has been distributed to all Limited Partners in accordance with clause (c) above and this clause; and

(e) finally, 90% to the Limited Partners pro rata to their respective Commitments and 10% to the Carried Interest Partner.

As at 31 December 2015, the Partnership distributed £24,320,601 (31 December 2014: £24,320,601) to the Partners.

10 Retained Earnings

(All figures stated in £)	As at 31 December 2015	As at 31 December 2014
Opening balance	**(3,773,470)**	**1,367,398**
(Decrease) / increase in net assets attributable to Partners from operations	(8,929,968)	(5,140,868)
Closing balance	**(12,703,438)**	**(3,773,470)**

11 Related Party Transactions

The Partnership, in the normal course of business, enters into transactions with business enterprises that fall within the definition of a "related parties" as contained in IAS 24 – Related party disclosures. The General Partner is of the opinion that the terms of such transactions are not materially different from those that could have been obtained from third parties. During the year, no remuneration has been paid to any key management personnel through RIT Capital Partners plc.

RIT Capital Partners plc, is a related party of the Partnership by virtue of being the parent company and an investor in the Partnership. Since Inception, RIT Capital Partners plc has paid a Capital Contribution of £91 at the Closing Date. The Partnership has also received £44,314,446 (31 December 2014: £44,314,446) of Loan Commitments from RIT Capital Partners plc, of which £20,100,157 (31 December 2014: £20,100,157) was satisfied by the transfer of Tamar Energy and £23,907,865 (31 December 2014: £23,907,865) by the transfer of Metron Holding AS. During the year, an amount of £nil (31 December 2014: £23,945,556) was distributed to RIT Capital Partners plc.

The balance of £43,527 (31 December 2014: £43,367) disclosed in note 7 'Trade and other receivables' represents £43,267 (31 December 2014: £43,267) from RIT Investments US Inc, £260 (2014: £100) from RIT Investments GP Limited for expenses paid on its behalf. In addition there is £nil (2014: £50) payable due to RIT Investments GP Limited in respect of bank charges.

The General Partner is a related party of the Partnership, and has appointed the Manager to be responsible for the financial and operating decisions of the Partnership. The General Partner is entitled to receive a priority share of the profits (the "Priority Profit Share"). The amount of the General Partner's Share for each Accounting Period is equal to £100,000 annually (note 2.6). At the year end Priority Profit Share payable to RIT Investments GP Limited was £100,000 (31 December 2014: £nil).

Notes to the Financial Statements (continued)

12 Financial Risk Management

Financial Risk Factors

The objective of the Partnership is to generate significant long-term capital growth through investing in a selection of unlisted private companies.

The Partnership's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and equity price risk), credit risk and liquidity risk. The Manager reviews and agrees policies for managing each of these risks which are summarised below:

12.1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, equity price risk. Financial instruments affected by market risk include bank deposits, investments, receivables and payables.

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Partnership's exposure to the risk of changes in market interest rates relates primarily to the Partnership's short-term bank deposits with floating interest rates.

The Partnership is not subject to significant exposure to interest rate risk.

(b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

If the value of the GBP strengthens by 10% in relation to all currencies, net assets attributable to Partners would have decreased by £20,651 (31 December 2014: £67,852); a 10% change in the opposite direction would have resulted in an increase of £25,240 (31 December 2014: £82,931). These calculations are based on the assets and liabilities at the respective balance sheet dates and are not necessarily representative of the year as a whole.

(c) Price Risk

The Partnership's investment in unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Partnership manages the equity price risk and holding the investments for the long term and will exit when the market is favourable. Reports on the equity portfolio are monitored on a regular basis. The General Partner approves all equity investment decisions in line with LPA and reviews investment portfolio report on quarterly basis.

If the Partnership's valuation were to increase / decrease by 5% then the impact on the net assets attributable to the Partners would be £370,189 (31 December 2014: £810,318).

12.2 Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Partnership is exposed to credit risk from receivables, bank deposits, loans provided to underlying companies and the interest due on loans given to portfolio companies.

The Partnership has three investments at balance sheet date which concentrates its credit risk. Bank accounts are limited to financial institutions with credit ratings of "A" or higher as rated by Standard and Poor's. The Manager monitors credit ratings on a regular basis.

The Partnership assesses all counterparties; including its investors (partners) for credit risk before contracting with them. The Partnership does not include any collateral or other credit risk enhancer, which may reduce the Partnership's exposure. At the reporting date, the maximum exposure to credit risk is represented by the carrying amount of each financial asset in the Statement of Financial Position. The Partnership will make more investments in the future which will diversify its credit risk. No financial assets are past due or impaired at 31 December 2015 or 31 December 2014.

Notes to the Financial Statements (continued)

12 Financial Risk Management

Financial Risk Factors (continued)

12.3 Liquidity Risk

Liquidity risk is the risk that the Partnership may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Partnership reviews cash flow forecasts on quarterly basis to monitor liquidity requirements. The Limited Partners are required to advance Loan Commitments to manage future liquidity requirements, as they arise. However, there is no fixed level of commitments from the Limited Partners. Capital calls are settled within 10 days as per clause 4.2 of the LPA and resulting funds can be used to fund investment acquisitions, pay Partnership running costs or pay the General Partner's Share.

The table below summarises the maturity profile of the Partnership's assets:

(All figures stated in £) As at 31 December 2015	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Trade and other receivables	-	-	43,527	-	-	43,527
Cash and cash equivalents	-	4,496	-	-	-	4,496
Total	**-**	**4,496**	**43,527**	**-**	**-**	**48,023**

(All figures stated in £) As at 31 December 2014	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Trade and other receivables	-	-	43,367	-	-	43,367
Cash and cash equivalents	-	4,703	-	-	-	4,703
Total	**-**	**4,703**	**43,367**	**-**	**-**	**48,070**

The table below summarises the maturity profile of the Partnership's financial liabilities based on contractual undiscounted payments:

(All figures stated in £) As at 31 December 2015	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Trade and other payables	-	161,289	-	-	-	161,289
Net assets attributable to the Partners	-	-	-	-	7,290,508	7,290,508
Cumulative Maturity	**-**	**161,289**	**-**	**-**	**7,290,508**	**7,451,797**

(All figures stated in £) As at 31 December 2014	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Trade and other payables	-	33,964	-	-	-	33,964
Net assets attributable to the Partners	-	-	-	-	16,220,476	16,220,476
Cumulative Maturity	**-**	**33,964**	**-**	**-**	**16,220,476**	**16,254,440**

Notes to the Financial Statements (continued)

13 Capital risk management

The capital of the Partnership is represented by the net assets attributable to the Partners. The Partnership's objective when managing the capital is to safeguard the ability to continue as a going concern in order to provide returns for Partners and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Partnership. In order to maintain or adjust the capital structure, the Manager may call Loan Commitment from the Limited Partners or distribute funds to the Limited Partners.

The Manager monitors capital on the basis of the value of net assets attributable to the Partners.

14 Fair Value Disclosure

Set out below is a comparison by class of the carrying amounts and fair value of the Partnership's financial instruments that are carried in the financial statements:

(All figures stated in £)	Carrying Amount 31 December 2015	Fair Value 31 December 2015
Financial assets held at fair value through profit or loss	7,403,774	7,403,774
Cash and cash equivalents	4,496	4,496
Trade and other receivables	43,527	43,527
	7,451,797	**7,451,797**
Trade and other payables	(161,289)	(161,289)
Total	**7,290,508**	**7,290,508**

(All figures stated in £)	Carrying Amount 31 December 2014	Fair Value 31 December 2014
Financial assets held at fair value through profit or loss	16,206,370	16,206,370
Cash and cash equivalents	4,703	4,703
Trade and other receivables	43,367	43,367
	16,254,440	**16,254,440**
Trade and other payables	(33,964)	(33,964)
Total	**16,220,476**	**16,220,476**

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Equity investments relates to unquoted companies. The fair value is determined on various valuation models as described in note 3.

14.1 Fair Value Hierarchy

The Partnership's accounting policy on fair value measurements is discussed in note 3 (a). The Partnership measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determination of fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

The Partnership has an established control framework with respect to the measurement of fair values which is completed by the Finance and Investment team of the General Partner.

Notes to the Financial Statements (continued)

14 Fair Value Disclosure (continued)

14.1 Fair Value Hierarchy (continued)

The table below analyses financial instruments measured at fair value at the end of the reporting year by the level in the fair value hierarchy into which the fair value measurement is categorised:

(All figures stated in £) As at 31 December 2015	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Equity investments	-	-	7,403,774	7,403,774
Total	-	-	**7,403,774**	**7,403,774**

(All figures stated in £) As at 31 December 2014	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Equity investments	-	-	16,206,370	16,206,370
Total	-	-	**16,206,370**	**16,206,370**

The following table presents the movement in level 3 instruments by class of financial instrument:

(All figures stated in £) Investments	Equity Securities	Debt Securities	Total
Opening balance as at 1 January 2015	16,206,370	-	16,206,370
Additions	-	-	-
Disposals	-	-	-
Unrealised movement on investment base values	(8,802,596)	-	(8,802,596)
Unrealised foreign exchange movement in investment values	-	-	-
Total	**7,403,774**	-	**7,403,774**

(All figures stated in £) As at 31 December 2014	Equity Securities	Debt Securities	Total
Opening balance as at 1 January 2014	37,931,261	-	37,931,261
Additions	6,933,720	-	6,933,720
Disposals	(23,907,865)	-	(23,907,865)
Unrealised movement on investment base values	(6,741,373)	-	(6,741,373)
Unrealised foreign exchange movement in investment values	1,990,627	-	1,990,627
Total	**16,206,370**	-	**16,206,370**

The Partnership considers all private investments as level 3 assets, as the valuations of these assets are not based on observable market data.

Notes to the Financial Statements (continued)

14 Fair Value Disclosure (continued)

14.1 Fair Value Hierarchy (continued)

The directly held private investments are valued on a semi-annual basis using techniques including a market approach, cost approach or income approach. The valuation process is collaborative involving the finance and investment functions with the final valuations being reviewed by the Valuation Committee. The specific techniques used will typically include earnings multiples, discounted cash flow analysis, the value of recent share transactions and where appropriate industry rules of thumb. The valuations will often reflect a synthesis of a number of distinct approaches in determining the final fair value estimate. The individual approach for each investment will vary depending on relevant factors that a market participant would take into account in pricing the asset. These might include the specific industry dynamics, the company's stage of development, profitability, growth prospects or risk as well as the rights associated with particular security.

Given the range of techniques and inputs used in the valuation process, and the fact that in most cases more than one approach is used, a sensitivity analysis is not considered to be a practical or meaningful disclosure.

All equity investments in unquoted companies are classified under Level 3 (see note 3).

There were no transfers between the levels for the year ended 31 December 2015.

15 Ultimate Controlling Party

In the opinion of the Manager, RIT Capital Partners plc is the ultimate controlling party.

Management and Administration

General Partner

RIT Investments GP Limited
50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, Scotland

Board of Directors of RIT Investments GP Limited, the General Partner:

Andrew Jones
Katie Thorpe
Christopher Wise
27 St James's Place, London SW1A 1NR

Legal Advisors

O'Melveny & Myers LLP
Warwick Court, 5 Paternoster Square, London EC4M 7DX

Independent Administrators

Augentius (UK) Limited
Two London Bridge, London SE1 9RA

Manager

J. Rothschild Capital Management Limited
27 St James's Place, London SW1A 1NR

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside, London SE1 2RT

Partnership Address

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