BH Global Limited
Annual Report and Audited Financial Statements 2014

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS
31 December 2014

Brevan Howard Capital Management LP, the manager and commodity pool operator of BH Global Limited, has filed a claim of exemption with the Commodity Futures Trading Commission in respect of BH Global Limited pursuant to Section 4.7 of the CFTC regulations.

Contents

Chairman's Statement

Dear Shareholder,
As 2014 drew to a close, macro themes began to reassert themselves and for the year to 31 December 2014, the Net Asset Value ("NAV") per share of the US Dollar class of BH Global Limited (the "Company" or "BH Global"), which had effectively been unchanged at the six month stage, increased by 2.49%. Although the Sterling class is considerably larger in terms of asset value than the US Dollar class, the US Dollar is the functional currency of the Company and it is on the Dollar performance that the Board principally focuses. Brevan Howard strive to manage the share classes such that performance is approximately in line and the NAV of the Sterling class of shares rose by 2.09% over the twelve months.

Although the increase in NAV per share was relatively modest, the Company continued the unbroken trend of growth of NAV per share in every calendar year since launch in May 2008 with low volatility and an annualised Sharpe ratio of over 1.2. An investment in the shares of BH Global is intended to be a portfolio diversifier that is only modestly correlated with equity markets and is subject to tight risk controls such that the likelihood of material capital loss is remote. Rising equity markets of the last six years may have left such investments in their shadow. However, the time will come when the holding of a stable portfolio diversifier will, once again, come into its own.

Performance, the state of markets and the outlook for them is covered in the Manager's Report and my Chairman's Statement concentrates principally on developments within the Company that took place during the year.

Class Closure Resolutions and the Closure of the Euro Class
In January 2014 the Company announced that the average discount to NAV at which BH Global's shares traded during 2013 had exceeded 10% and thus a vote on a Class Closure Resolution had been triggered. Subsequent announcements and Circulars led to that vote for each of the three currency classes and that for the Euro class was carried by in excess of the required 75% of shareholders who cast their vote. Accordingly in the first week of September 2014, almost all of the holders of former Euro class shares received cash proceeds of approximately 97.12% of the 31 July NAV per share. The Euro class of shares ceased to exist and its quote was subsequently cancelled.

As a result of the Euro class closure the net assets of the Company were reduced by the equivalent of US$213.8 million.

Neither of the resolutions for the closure of the Sterling or the US Dollar class was carried although over 50% of the holders of the Sterling class voted in favour of closure. As I commented in my September Statement, both Board and Manager noted the views of Sterling shareholders as reflected in that vote and have sought to bring forward appropriate changes in the Company and its performance as further described in this Statement.

For calendar year 2014 the average discount to NAV at which the US Dollar and Sterling classes traded was 9.52% and 9.70% respectively, both being below 10%. Thus no Class Closure Resolution was triggered as at 31 December 2014.

Discount Control and NAV Enhancement
As I originally reported on 5 February 2014 and have reiterated since, feedback from shareholders was to encourage the Board to maintain an active buy back policy in order to stabilise and control the level of discount to NAV at which the two classes of shares traded in the market. The Board pursued that policy throughout the year and continues to do so with a programme that takes account of market conditions and the present requirement to repay an element of the Offer Costs, as described below, relating to each buy-back.

Throughout 2014 the Company bought back shares in the market for placing into treasury or for cancellation. 3,264,141 Sterling shares were bought back at an average discount to NAV of 9.4% at a cost of £39.219 million. For the US Dollar class the figures were 1,526,700 shares at an average discount of 9.2% and a cost of $18.021 million. These buy backs added approximately 13 pence per share (1.1%) and 27 cents per share (2.1%) to NAV per share respectively.

Amendment of Investment Policy and Fees payable to the Manager
Following approval by shareholders, the Company's Investment Policy was amended on 1 September 2014 such that it became a feeder fund for investment in Brevan Howard Multi-Strategy Master Fund Limited ("BHMS"). Full details were set out in the Circular dated 18 July 2014 which is available on the Company's website. However, as I reported in my Interim Statement in August, the key points to note are:-

- BHMS is an open-ended fund. As at 31 December 2014 it had assets of US$3.811 billion. BH Global's investment in BHMS amounted to US$673.4 million being approximately 17.6% of the total fund.
- Over the year, the Investment Committee has increased the proportion of the assets within BHMS allocated to the Direct Investment Portfolio ("DIP") and at year-end the allocation stood at approximately 24%. The funds allocated to the DIP are managed by a small number of senior traders who are also managing assets within other Brevan Howard managed funds, in particular the Brevan Howard Master Fund Limited ("BHMF"). Throughout the year, BHMF represented the largest exposure for BHMS and at year-end the proportion of assets allocated to BHMF was approximately 45%. The DIP seeks to profit from the trading ideas of those senior traders. It is a very significant differentiator for BH Global and the Manager has advised that it currently expects to continue to allocate a material portion of BHMS's assets to the DIP.
- With effect from 1 September 2014 the fee basis has been restructured and simplified such that BH Global invests in a class of shares of BHMS that does not carry a management charge. A clean management fee of 2% is charged at the

Chairman's Statement continued

Company level together with a 20% performance fee on the annual net performance of NAV above the high water mark. The 0.5% over-riding fee that had previously been charged since the Company's inception has been discontinued which represents a significant ongoing saving.

The change is reflected in the calculation of the Ongoing Charges reported (which calculation excludes performance fees) on page 14 of this Annual Report. Since 1 September 2014 all management fees are borne solely at Company level (rather than at underlying fund level) meaning that these charges are now included in the calculation of Ongoing Charges. This results in an Ongoing Charges figure in the 2014 financial statements that has misleadingly increased from that shown in 2013. Thus although the data has been calculated according to the AIC's recommended methodology, it does not show a like for like comparison between 2013 and 2014. The reported increase in the Ongoing Charges does not reflect the full picture and the change in the basis of the basic management fee that I refer to above has already and will continue to reduce the ad valorem charges. If, though, the Company continues to buy-back shares then absent a significant growth increase in NAV arising from investment performance the fixed charges will impact more heavily on the total cost of running the Company.

Repayment of Offer Costs

Shareholders will be aware from earlier Reports that Brevan Howard paid the costs in excess of 1% incurred in respect of the launch of the Company in 2008 and that in the event of the NAV of the Company being reduced as a result of buy backs or redemptions below US$1.045 billion calculated at the exchange rates applicable at the time of the launch, the Company would be liable to refund a pro rata proportion (amounting to 2.55 US cents for every US Dollar by which the Company's NAV is reduced) of those costs to Brevan Howard. At 31 December 2013 the total liability for those costs in the event of the Company ceasing to exist was reported as US$26,559,274.

The closure of the Euro class and the consequent shrinking of the Company's NAV meant that the liability for pro rata repayment of part of the Offer Costs was triggered. Redeeming Euro class shareholders bore their fair share of repayment and ongoing buy-backs trigger further repayments. Fuller details are set out in Note 3 of the Financial Statements on page 30 of this Report.

Shareholders should note that the maximum remaining liability for any repayment at 31 December 2014 was US$20,081,152 and any liability ceases completely after 29 May 2015.

The Board

John Hallam, Talmai Morgan and Nicholas Moss have been directors since the launch of the Company in 2008. Graham Harrison was appointed to the Board in 2010 and I joined at the beginning of 2013. In 2014 Stephen Stonberg, a founding director, resigned when he took up a post with another hedge fund manager and has not been replaced. As the Company moves forward it will be necessary to consider the future shape of the Board. As I noted a year ago the principal aim of any new appointment would be to ensure the presence of the appropriate skills for the proper governance of the Company.

Between late 2013 and the implementation of the amended Investment Policy in September 2014 the Board has faced a workload substantially in excess of that which would normally be expected of a non-executive Board. In addition to the usual quarterly Board meetings, there were numerous telephone conferences and ad hoc discussions together with five additional formal meetings to deal with the Euro Class Closure and the amendment of the Investment Policy as well as considering and approving a considerable number of documents. On my recommendation the Board approved additional one-off payments to Messrs Hallam, Morgan, Moss and Harrison of £15,000 per director. I did not receive any additional payment.

Communication with Shareholders

The Board welcomes feedback from shareholders and I am always available to talk, correspond or meet if desired. Shareholders and the wider investment community are kept informed by regular monthly reports which are posted on the Company's website together with the interim and annual Report and Accounts. In addition the Company, together with its sister company BH Macro and Brevan Howard, will be holding a presentation for professional shareholders and investors in London in April.

Outlook

The Board remains very aware of the discount to NAV at which the shares continue to trade and also the costs of running the Company relative to shareholder returns in recent years. However, the key to the future for the Company will be NAV performance and that lies very largely in the hands of Brevan Howard. January started off 2015 in sparkling style with the NAV of BH Global's US Dollar shares appreciating by 3.37% in the month. As a component of that appreciation, the DIP appreciated by 6.65%. A part of the appreciation was surrendered in February; nevertheless March is, so far, looking promising. If January performance should turn out to be a harbinger of performance that can be generated in a more favourable macro environment, it is very much to be hoped that BH Global will continue to benefit from Brevan Howard's expertise and long-term track record in such market conditions.

Yours sincerely,

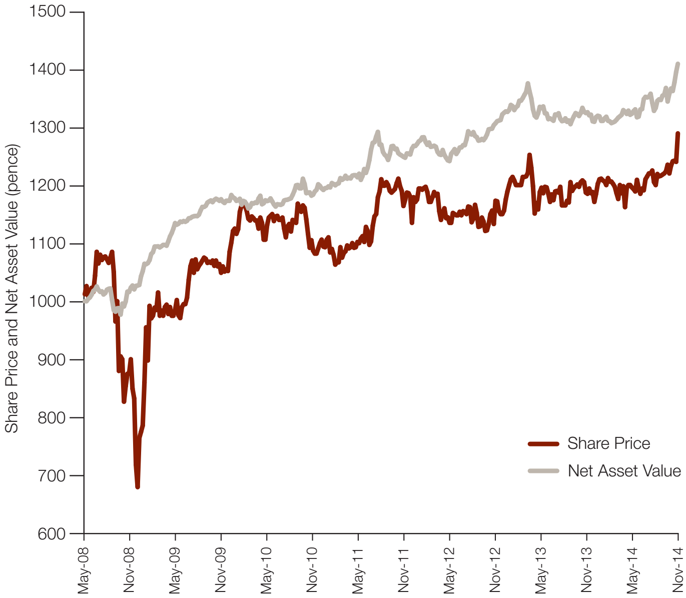
Michael Bunbury

Sir Michael Bunbury
Chairman

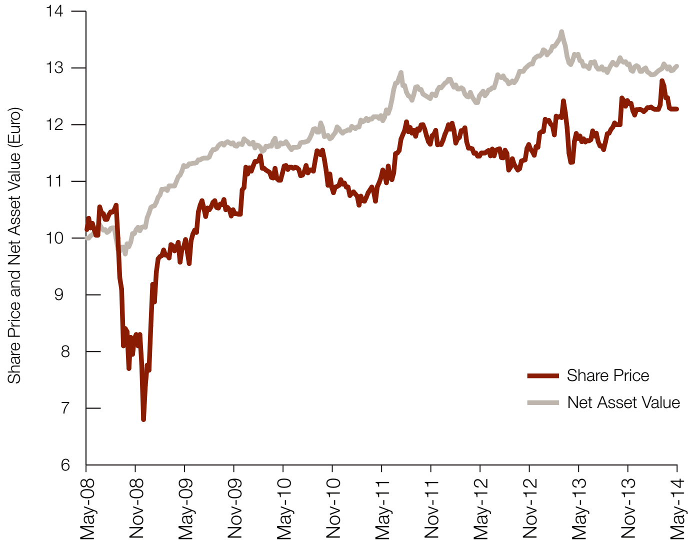
23 March 2015

Company Performance

Sterling shares
Share Price vs Net Asset Value

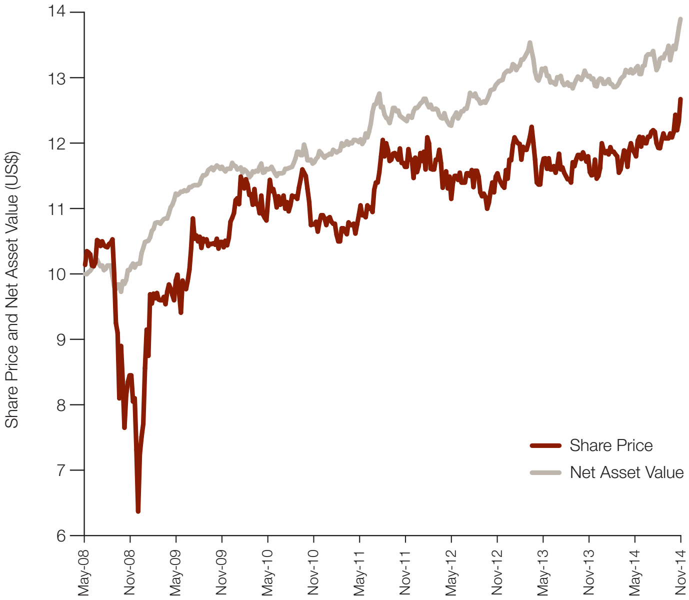


Euro shares
Share Price vs Net Asset Value



Source: Brevan Howard, as at 13 February 2015. Based on published NAV data, which may be estimated.

US Dollar shares
Share Price vs Net Asset Value



Manager's Report

Brevan Howard Capital Management LP ("BHCM") is the Manager of the Company. Prior to 1 September 2014, BH Global Limited ("BHG") invested all its assets (net of short-term working capital) in Brevan Howard Global Opportunities Master Fund Limited ("BHGO"). With effect from 1 September 2014, BHG changed its investment policy to invest substantially all its assets (net of short-term working capital) in Brevan Howard Multi-Strategy Master Fund Limited ("BHMS") a company also managed by BHCM. The Company maintains a residual holding in BHGO pending the orderly liquidation of BHGO anticipated to occur in 2015.

Performance Summary

The NAV of the USD shares appreciated by 2.49% in 2014 and the NAV of the GBP shares appreciated by 2.09% in 2014. The EUR share class depreciated by 1.19% in the seven month period ended 31 July 2014 (the Euro shares were redeemed in August 2014).

The month-by-month NAV performance of each currency class of BHG since it commenced operations in 2008 is set out below:

USD	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2008						1.16*	0.10	0.05	(3.89)	1.13	2.74	0.38	1.55
2009	3.35	1.86	1.16	1.06	2.79	(0.21)	1.07	0.27	1.49	0.54	0.11	0.04	14.31
2010	0.32	(0.85)	(0.35)	0.53	(0.06)	0.60	(0.79)	0.80	1.23	0.39	(0.21)	(0.06)	1.54
2011	0.09	0.42	0.34	1.20	0.19	(0.56)	1.61	3.51	(1.29)	(0.14)	0.19	(0.88)	4.69
2012	1.22	1.02	(0.54)	(0.10)	(0.65)	(1.53)	1.46	0.70	1.47	(0.72)	0.81	1.26	4.44
2013	1.33	0.49	0.33	1.60	(0.62)	(1.95)	(0.14)	(0.86)	0.09	(0.13)	0.95	0.75	1.79
2014	(0.98)	(0.04)	(0.26)	(0.45)	0.90	0.70	0.60	0.05	1.56	(0.75)	0.71	0.44	2.49

GBP	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2008						1.40*	0.33	0.40	(4.17)	1.25	3.27	0.41	2.76
2009	3.52	1.94	1.03	0.68	2.85	(0.28)	1.05	0.31	1.51	0.58	0.12	0.08	14.15
2010	0.35	(0.93)	(0.32)	0.58	(0.04)	0.62	(0.81)	0.84	1.17	0.37	(0.20)	(0.03)	1.61
2011	0.10	0.41	0.38	1.13	0.04	(0.59)	1.69	3.67	(1.41)	(0.15)	0.21	(0.84)	4.65
2012	1.23	1.05	(0.51)	(0.08)	(0.62)	(1.51)	1.50	0.70	1.44	(0.72)	0.72	1.31	4.55
2013	1.36	0.56	0.36	1.63	(0.48)	(1.91)	(0.11)	(0.84)	0.14	(0.11)	0.97	0.77	2.32
2014	(0.97)	(0.14)	(0.33)	(0.30)	0.56	0.48	0.42	0.03	1.85	(0.76)	0.78	0.48	2.09

EUR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2008						1.28*	0.25	0.29	(4.34)	1.15	3.01	0.44	1.93
2009	3.57	1.94	1.13	1.05	2.54	(0.21)	1.11	0.27	1.50	0.50	0.08	0.08	14.36
2010	0.37	(0.90)	(0.35)	0.58	(0.02)	0.69	(0.81)	0.86	1.06	0.36	(0.14)	0.04	1.73
2011	0.06	0.43	0.35	1.30	0.27	(0.63)	1.78	3.77	(1.44)	(0.14)	0.19	(0.91)	5.04
2012	1.21	1.01	(0.56)	(0.12)	(0.61)	(1.45)	1.45	0.63	1.40	(0.76)	0.98	1.13	4.35
2013	1.25	0.58	0.27	1.49	(0.64)	(1.91)	(0.15)	(0.89)	0.06	(0.14)	0.93	0.67	1.47
2014	(0.94)	(0.21)	(0.47)	(0.51)	0.45	0.22	0.28						(1.19)

Source: BHMS NAV data is provided by the administrator of BHMS, International Fund Services (Ireland) Limited. BHG NAV and NAV per Share data is provided by BHG's administrator, Northern Trust. BHG NAV per Share % Monthly Change calculations are made by BHCM.

BHG NAV data is unaudited and net of all investment management fees and all other fees and expenses payable by BHG. NAV performance is provided for information purposes only. Shares in BHG do not necessarily trade at a price equal to the prevailing NAV per Share.

* Performance is calculated from a base NAV per Share of 10 in each currency. The opening NAV in May 2008 was 9.9 (after deduction of the IPO costs borne by BHG).

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

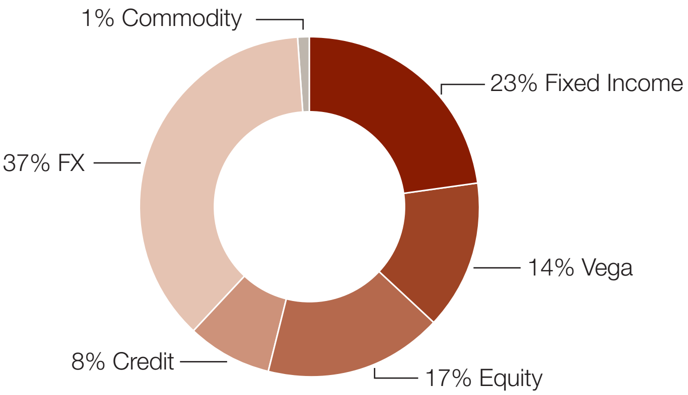
Allocations and Investment Performance

The investment exposures of BHMS as at 31 December 2014 were as follows:

Investment	Allocation as at 31 December 2014 (% NAV)
Brevan Howard Master Fund Limited ("BHMF")	45.0
Direct Investment Portfolio ("DIP")	23.6
DW Catalyst Master Fund, Ltd. (*formerly Brevan Howard Credit Catalysts Master Fund Limited*) ("BHCC")	13.6
Brevan Howard Asia Master Fund Limited ("BHA")	8.3
Brevan Howard Systematic Trading Master Fund Limited ("BHST")	7.4
Brevan Howard Commodities Strategies Master Fund Limited ("BHCS")	1.6
DW Value Master Fund, Ltd. (*formerly Brevan Howard Credit Value Master Fund Limited*) ("BHCV")	0.6

Source: BHCM; figures rounded to one decimal place. Data may differ from those published for BHMS as BHG may hold cash for short-term working capital purposes.

Allocations and Investment Performance (continued)
BHMS had the following strategy exposures as at 31 December 2014 (% of total VaR; excludes cash exposure):



Source: BHCM; figures rounded to the nearest whole number. Data may differ from those published for BHMS as BHG may hold cash for short-term working capital purposes.

Performance Review
As detailed above, the USD share class posted a gain of 2.49% in 2014. During 2014, NAV volatility remained below 3%.

Credit trading was the main positive performance contributor during 2014. One of the main contributors within credit trading was the structured finance allocation to residential and commercial mortgage bonds. In interest rates, the Company made money in EUR interest rate trading based on expectations that Europe would continue to experience deflationary pressure and muted growth, which would push the European Central Bank ("ECB") towards a further easing of monetary conditions. In June and September 2014, the ECB cut deposit rates to negative, as the Manager anticipated. Additional returns were generated in fixed income relative value trading.

Returns also came from FX trading where most of the gains came from long exposures to the USD against European currencies and, to a lesser extent, the JPY. FX volatility trading was profitable during the year, in particular during the second half of the year when FX volatility increased.

Systematic trading contributed positively with a strong performance driven by long exposures to global bond markets. Additional returns were generated through long exposures to the USD against a basket of other currencies and short exposures to energy markets.

The positive performance was partly offset by losses in USD interest rates trading and equity strategies. In USD rates short positions were held along the curve throughout much of 2014 in anticipation of a more hawkish US Federal Reserve ("Fed") stance. In equities almost all of the losses occurred in the first quarter as at the beginning of 2014 the portfolio was long the Nikkei which fell almost 15% in the early part of the year. These positions in Japanese equities were based on expectations that steady, if not additional, support measures from fiscal, monetary and structural reform policies, along with the possibility of domestic allocation shifts into equities, would combine to drive Japanese equity markets higher and the currency weaker.

Manager's Report continued

Performance Review (continued)
The large volume of share buybacks carried out as part of the Company's discount management programme positively contributed to the Company's NAV performance over the period. A summary of the contribution to NAV performance broken down by trading strategy and share buybacks is detailed below:

Quarterly and annual contribution (%) to the performance of BHG USD Shares (net of fees and expenses) by strategy group

	Macro	Rates	FX	EMG	Equity	Commodity	Credit	Systematic	Discount Management	TOTAL
Q1 2014	(1.64)	(0.02)	(0.02)	(0.16)	(0.03)	0.15	0.76	(0.66)	0.36	(1.27)
Q2 2014	(1.15)	0.06	(0.03)	0.04	(0.05)	0.24	0.74	0.35	0.96	1.15
Q3 2014	1.70	0.37	0.12	(0.05)	0.08	(0.81)	(0.10)	0.29	0.60	2.22
Q4 2014	(0.24)	0.23	0.09	(0.30)	(0.17)	0.08	0.00	0.62	0.13	0.40
2014 YTD	(1.36)	0.63	0.16	(0.47)	(0.16)	(0.39)	1.41	0.60	2.06	2.49

Quarterly and annual figures are calculated by BHCM as at 31 December 2014, based on performance data for each period provided by the BHG's administrator, Northern Trust. Figures rounded to two decimal places.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS

Methodology and Definition of Monthly Contribution to Performance:
Attribution is approximate and has been derived by allocating each underlying trader book in each underlying allocation to a single category. In cases where a trader book has activity in more than one category, the most relevant category has been selected.

The above strategies are categorised as follows:

"Macro": multi-asset global markets, mainly directional (for BHG, the majority of risk in this category is in rates)
"Rates": developed interest rates markets
"FX": global FX forwards and options
"EMG": global emerging markets
"Equity": global equity markets including indices and other derivatives
"Commodity": liquid commodity futures and options
"Credit": corporate and asset-backed indices, bonds and CDS
"Systematic": rules-based futures trading
"Discount Management": buyback activity for discount management purposes

Allocation Review
With effect from 1 September 2014, BHG changed its investment policy to invest substantially all its assets (net of short-term working capital) in BHMS. As a result, the Company gained exposure to the Direct Investment Portfolio ("DIP") of BHMS in addition to the underlying funds within the BHMS portfolio.

During 2014, the Investment Committee of the Manager ("IC") gradually increased the exposure to the DIP. The increased allocation to the DIP has given the IC greater flexibility to allocate capital directly to Brevan Howard traders, which the IC believes will benefit the return profile of BHMS. At the end of 2014, the allocation to the DIP stood at approximately 24%.

During the year, BHMS's exposure to emerging markets and commodity trading was reduced and BHMS's holdings in Brevan Howard Emerging Markets Strategies Master Fund Limited, Brevan Howard Commodities Strategies Master Fund Limited and Brevan Howard Emerging Markets Local Fixed Income Leveraged Master Fund Limited were fully redeemed. BHMS's allocation to developed markets macro trading was increased, primarily by the increased allocation to the DIP. BHMS's allocation to credit and systematic trading remained relatively unchanged throughout the year.

Looking forward, the IC believes that the dispersion in growth and interest rate cycles between global economies should produce good trading opportunities across most asset classes. The IC will take advantage of the flexibility within BHMS's mandate in an aim to achieve high risk adjusted returns and keep a diversification between strategies, asset classes and traders. The IC remains confident that BHMS is appropriately positioned to benefit from the current opportunity set.

Commentary and Outlook

The opportunity set for macro trading appears to be improving markedly. The US economy turned the corner last year. Although there are factors that may affect the exact timing of a first increase in US interest rates, the Fed appears committed to begin to normalise policy this year. In stark contrast, the Euro area has slipped into deflation and suffering from a chronic lack of demand. The economic differences between the US and Euro area should continue to provide opportunities in FX trading.

The ECB committed to large-scale sovereign bond purchases in early January 2015. European elections add an additional dimension of uncertainty to the policy backdrop. In Greece, the new Government is running strong on calls to relax fiscal austerity, and debt renegotiation. Similarly, populist sentiment in Spain and in the UK could exacerbate tensions within Europe on a range of issues that may spill over into asset pricing.

In Japan the scale of commitment to quantitative easing is quite extraordinary. At the start of 2015, Japanese five-year yields had fallen to zero and might have further significant impacts on other markets. Reforms in Government pension plans and corporate governance could provide additional positive trading opportunities in Japanese equities.

The collapse in oil prices appears to be a net benefit to global growth that creates many winners and losers. Perhaps just as important as the direct impact of lower oil prices is how global central banks are responding. The Fed appears, to a large extent, to be looking through the oil price shock, maintaining a relatively hawkish reaction function. However, the ECB and Bank of Japan are doing the opposite, easing further as actual inflation and inflation expectations are falling too rapidly. These different reactions could cause large moves in asset prices.

Indeed, the increasing divergence between the major global economies and their respective central bank policies is a significant change in the status quo seen over the last few years. The new environment we see in 2015 should lead to increased levels of volatility across multiple asset classes. The Manager will seek to take full advantage of these developments.

Brevan Howard Capital Management, LP,
acting by its sole general partner,
Brevan Howard Capital Management Limited

23 March 2015

Directors' Report

The Directors submit their Report together with the Company's Audited Statement of Assets and Liabilities, Audited Statement of Operations, Audited Statement of Changes in Net Assets, Audited Statement of Cash Flows, and the related notes (together the "Financial Statements") for the year ended 31 December 2014. The Directors' Report together with the Audited Financial Statements give a true and fair view of the financial position of the Company. They have been prepared properly, in conformity with United States Generally Accepted Accounting Principles ("US GAAP") and are in accordance with any relevant enactment for the time being in force; and are in agreement with the accounting records.

The Company
The Company is a limited liability closed-ended investment company which was incorporated in Guernsey on 25 February 2008.

It was admitted to the Official List of the London Stock Exchange on 29 May 2008 when it raised approximately US$1 billion. It currently has a Premium Listing.

It also has a Secondary Listing on the Bermuda Stock Exchange, with the US Dollar shares of the Company also having a Secondary Listing on NASDAQ Dubai.

The Company offers multiple classes of ordinary shares, which differ in terms of currency of issue. To date, ordinary shares have been issued in US Dollar, Euro and Sterling.

On 27 February 2014 the shareholders of the Euro Share Class voted in favour of the Class Closure Resolution and closure of the Euro Share Class was completed in August 2014, as discussed in Note 8.

Investment Policy
Prior to 1 September 2014, the Company's investment objective was to seek to generate consistent long-term capital appreciation through an investment policy of investing all of its assets (net of those expenses of the initial public offering borne by the Company and funds required for its short-term working capital requirements) in Brevan Howard Global Opportunities Master Fund Limited ("BHGO"), an open-ended investment company with limited liability formed under the laws of the Cayman Islands. The Company maintains a residual holding in BHGO pending the orderly liquidation of BHGO anticipated to occur in 2015. The net assets held by BHGO only include cash and deposits held with broker.

On 28 August 2014 the shareholders voted in favour of changing the investment policy and effective 1 September 2014, the Company's investment objective is to seek to generate consistent long-term capital appreciation through an investment policy of investing all of its assets (net of funds required for its short-term working capital requirements) in Brevan Howard Multi-Strategy Master Fund Limited ("BHMS"), an open-ended investment company with limited liability formed under the laws of the Cayman Islands.

BHMS spreads investment risk by providing exposure to a range of strategies, asset classes and geographies.

Investment Policy (continued)
BHMS has flexibility to invest in a wide range of instruments including, but not limited to, debt securities and obligations (which may be below investment grade), bank loans, listed and unlisted equities, other collective investment schemes or vehicles (which may be open-ended or closed-ended, listed or unlisted, regulated or unregulated and may employ leverage (each an "Investment Fund")), currencies, commodities, futures, options, warrants, swaps and other derivative instruments. Derivative instruments may be exchange-traded or OTC.

BHMS may engage in short sales. BHMS may retain amounts in cash or cash equivalents (including money market funds) pending reinvestment, for use as collateral or if this is considered appropriate to the investment objective.

Subject to the investment restrictions and investment approach disclosed in any prospectus for BHMS that may be published from time to time and subsequent BHMS directors' resolutions, BHMS employs an investment process which empowers the Manager to allocate assets to both Investment Funds and directly to the investment managers of the BHMS from time to time on an opportunistic basis.

As a result of the change in investment policy, the Company's Management Agreement was amended to provide for the management fee and performance fee to be paid to the Manager, as discussed in Note 4.

Results and dividends
The results for the year are set out in the Audited Statement of Operations on page 25. The Directors do not recommend the payment of a dividend.

Share capital
The number of shares in issue at the year end and the changes during the year are disclosed in note 5 to the Audited Financial Statements.

Foreign Account Tax Compliance Act
The Foreign Account Tax Compliance Act ("FATCA") became effective on 1 January 2013. The legislation is aimed at determining the ownership of US assets in foreign accounts and improving US tax compliance with respect to those assets. On 13 December 2013, the States of Guernsey entered into an intergovernmental agreement ("IGA") with US Treasury in order to facilitate the requirements under FATCA. In May 2014, the US announced a six month delay to the new entity account on-boarding rules, from 1 July 2014 to 1 January 2015, for the operation of the US FATCA regulations, which has been extended to the IGA. Guernsey Financial Institutions are required to have had new individual account on-boarding procedures in place with effect from 1 July 2014 and new entity account on-boarding procedures with effect from 1 January 2015. The Board has taken steps to implement on-boarding procedures, with the assistance of its professional advisers. It was necessary for the Company to register for a Global Intermediary Identification Number ("GIIN") by 22 December 2014 in order to comply with the requirements under FATCA which the Company has done.

Inter-Governmental Agreements
The States of Guernsey signed an intergovernmental agreement with the UK ("UK-Guernsey IGA") on 22 October 2013, under which mandatory disclosure requirements will be required in respect of account holders who have a UK connection. The UK-Guernsey IGA has been ratified by Guernsey's States of Deliberation and the relevant legislation introduced. The Board is monitoring implementation of the UK-Guernsey IGA with the assistance of its professional advisers.

Discount Management Programme
The Directors review the share price in relation to NAV on a regular basis. For additional information refer to Note 8 of the Financial Statements. Shareholders with any queries in relation to the above should contact the Administrator in the first instance, whose contact details can be found on the Company's website, www.bhglobal.com/contacts.

Going Concern
Given the nature of the Company and its investments, it is appropriate to adopt the going concern basis in preparing these Financial Statements as the Directors consider that the Company is able to continue for the foreseeable future. In reaching this conclusion the Board is mindful of the nature of the assets that underlie its investment in BHMS, including its liquidity and has concluded that adverse investment performance will not have a material impact on the Company's solvency.

Signed on behalf of the Board by:

Sir Michael Bunbury
Chairman

John Hallam
Director

23 March 2015

Corporate Governance Statement

Corporate governance

To comply with the UK Listing Regime, the Company must comply with the requirements of the UK Corporate Governance Code. The Company is also required to comply with the Code of Corporate Governance issued by the Guernsey Financial Services Commission.

The Company is a member of the Association of Investment Companies (the "AIC") and by complying with the AIC Code of Corporate Governance ("AIC Code") is deemed to comply with both the UK and Guernsey Codes of Corporate Governance.

The Financial Reporting Council (the "FRC") issued a revised UK Corporate Governance Code in September 2014, for reporting periods beginning on or after 1 October 2014. The AIC updated the AIC Code of Corporate Governance (including the Guernsey edition) and its Guide to Corporate Governance to reflect the relevant changes to the FRC document in February 2015. The Board have not early adopted the revised code.

The Board has considered the principles and recommendations of the AIC Code, by reference to the guidance notes provided by the AIC ("AIC Guide"), and considers that reporting against these will provide better information to shareholders. To ensure ongoing compliance with these principles the Board reviews a report from the Corporate Secretary, at each quarterly meeting, identifying how the Company is in compliance and identifying any changes that might be necessary.

The Company has complied with the recommendations of the AIC Code throughout the accounting period and thus the relevant provisions of the UK Corporate Governance Code, except as set out below.

The UK Corporate Governance Code includes provisions relating to:

- the role of the chief executive
- executive directors' remuneration
- the need for an internal audit function
- the whistle blowing policy

For the reasons set out in the AIC Guide, and as explained in the UK Corporate Governance Code, the Board considers these provisions are not relevant to the position of the Company as it is an externally managed investment company. The Company has therefore not reported further in respect of these provisions. The Directors are non-executive and the Company does not have employees, hence no whistle-blowing policy is required. Details of compliance are noted in the succeeding pages. There have been no instances of non-compliance, other than those noted above.

The Company has adopted a policy that the composition of the Board of Directors, which is required by the Company's Articles to comprise of at least two persons, is at all times such that a majority of the Directors are independent of the Manager and any company in the same group as the Manager; the Chairman of the Board of Directors is free from any conflicts of interest and is independent of the Manager and of any company in the same group as the Manager; and that no more than one director, partner, employee or professional adviser to the Manager or any company in the same group as the Manager may be a Director of the Company at any one time.

The Company's risk exposure and the effectiveness of its risk management and internal control systems are reviewed by the Audit Committee at its quarterly meetings and annually by the Board. The Board believes that the Company has adequate and effective systems in place to identify, mitigate and manage the risks to which it is exposed.

The Board

The Board, which consists solely of non-executive directors, meets at least four times a year and between these formal meetings there is regular contact with the Manager and the Administrator. The Directors are kept fully informed of investment and financial controls, and other matters that are relevant to the business of the Company and should be brought to the attention of the Directors. The Directors also have access to the Administrator, and where necessary, in the furtherance of their duties, to independent professional advice at the expense of the Company. In addition to these scheduled meetings, 18 ad-hoc meetings were held in 2014, of which 5 additional were formal meetings to deal with matters arising in relation to the change in investment policy and Class Closure Resolutions and 13 that were of a fundamentally administrative nature, the majority being the conversions between share classes. These meetings were attended by those Directors available at the time.

On 2 July 2014 at the Annual General Meeting of the Company, shareholders re-elected all Directors of the Company. Section 21.3 of the Company's Articles requires all Directors at the date of the notice convening the annual general meeting, shall retire from office and may offer themselves for re-election.

The Board of Directors has overall responsibility for safeguarding the Company's assets, for the determination of the investment policy of the Company, for reviewing the performance of the Manager and the other service providers and for the Company's activities. The Directors are listed on page 20 and on the inside back cover. Talmai Morgan is not independent of the Manager for the purposes of LR15.2.12-A.

Stephen Stonberg resigned from the Board on 31 March 2014.

The Board needs to ensure that information presented is fair, balanced and understandable. In achieving this, the Directors have explained the Company's investment objective and policy, how the Board operates through its structure of reserved powers of the Board, its delegated Committees and how the Directors consider and explain the risk environment within which the Company operates. Further, through the Annual Report and ancillary documents the Board has sought to provide information to enable shareholders to have a fair, balanced and understandable view.

Board diversity
The Board has also given careful consideration to the recommendations of the Davies Report on women on boards and as recommended in that report has reviewed its composition and believes that it has available an appropriate range of skills and experience. In order to extend its diversity, the Board is committed to implementing the recommendations of the Davies Report, if possible within the timescales proposed in the Davies Report, and to that end will ensure that women candidates are considered when appointments to the Board are under consideration, as indeed has always been its practice.

Board evaluation and succession planning
The AIC Code requires external evaluation of Board performance every three years. The Board undertook its first externally facilitated evaluation in early 2012, having commissioned it late the previous year. The report of the evaluation confirmed that the Company observes a high standard of Corporate Governance and, accordingly, the Board conducted self-appraisals in 2013 and 2014 and will commission a further independent study to be reported on in 2015.

The Board, Audit Committee, Management Engagement Committee and Nominations Committee undertake an evaluation of their own performance and that of individual Directors on an annual basis. In order to review their effectiveness, the Board and its Committees carry out a process of formal self-appraisal. The Board and Committees consider how they function as a whole and also review the individual performance of its members. This process is conducted by the respective Chairman reviewing each members' performance, contribution and commitment to the Company. John Hallam, as Senior Independent Director, takes the lead in reviewing the performance of the Chairman. Each Board member provides proof of ongoing training and maintenance of continuing professional development requirements.

The Board considers it has a breadth of experience relevant to the Company, and the Directors believe that any changes to the Board's composition can be managed without undue disruption. An induction programme has been prepared for any future Director appointments.

Board and committee meetings
The table below sets out the number of Board, Audit, Management Engagement and Nominations Committee scheduled meetings held during the year ended 31 December 2014 and, where appropriate, the number of such meetings attended by each Director.

Attendance at scheduled Board and Committee meetings:

	Board	Audit	Management Engagement	Nominations
No of meetings	4	4	1	1
Attendance				
Sir Michael Bunbury	4	3*	1	1
John Hallam	3	4	1	1
Graham Harrison	4	4	1	1
Talmai Morgan	3	1*	1*	1
Nicholas Moss	4	4	1	1
Stephen Stonberg	n/a	n/a	n/a	n/a

* in attendance

Directors' independence
Talmai Morgan is a non-executive Director of BH Macro Limited which is also managed by the Company's Manager, and is a feeder fund for Brevan Howard Master Fund Limited into which BHMS also invests.

On the basis of this other interest, Talmai Morgan is deemed not independent of the Manager for the purposes of Listing Rule LR15.2.12-A.

Directors' interests
The Directors had the following interests in the Company, held either directly or beneficially:

	31.12.2014		31.12.2013	
	US Dollar Shares	Sterling Shares	US Dollar Shares	Sterling Shares
Sir Michael Bunbury	–	4,000	–	4,000
John Hallam	5,000	–	5,000	–
Graham Harrison	–	1,500	–	1,500
Talmai Morgan	5,000	–	5,000	–
Nicholas Moss	–	839	–	839

There were no Director interests in the Euro Share Class at 31 December 2013.

The Company has adopted a Code of Directors' dealings in shares, which is based on the Model Code for Directors' dealings contained in the London Stock Exchange's Listing Rules.

Further Directors' interests in other public companies are disclosed on page 21.

Directors' indemnity
Directors' and officers' liability insurance cover is in place in respect of the Directors. The Directors entered into indemnity agreements with the Company which provide for, subject to the provisions of the Companies (Guernsey) Law, 2008, an indemnity for Directors in respect of costs which they may incur relating to the defence of proceedings brought against them arising out of their positions as Directors, in which they are acquitted or judgement is given in their favour by the Court. The agreement does not provide for any indemnification for liability which attaches to the Directors in connection with any negligence, unfavourable judgements, breach of duty or trust in relation to the Company.

Corporate Governance Statement continued

COMMITTEES OF THE BOARD

The Board has established Audit, Management Engagement and Nominations Committees and approved their terms of reference, copies of which can be obtained from the Administrator.

Audit Committee

The Audit Committee comprises John Hallam (who chairs it), Graham Harrison and Nicholas Moss. The Committee meets formally at least twice a year and each meeting is attended by the external auditor and Administrator.

Appointment to the Audit Committee is for a period up to three years which may be extended for two further three year periods provided that the majority of the Audit Committee remain independent of the Manager. John Hallam and Nicholas Moss are currently serving their third term of three years. Graham Harrison is currently serving his second term of three years.

The table on page 11 sets out the number of Audit Committee Meetings held during the year ended 31 December 2014 and the number of such meetings attended by each Committee member.

A report of the Audit Committee detailing its responsibilities and its key activities is presented on pages 15 to 17.

Management Engagement Committee

The Management Engagement Committee meets formally at least once a year and comprises Nicholas Moss (who chairs it), Sir Michael Bunbury, John Hallam and Graham Harrison.

The Board has established a Management Engagement Committee with formal duties and responsibilities. The function of the Management Engagement Committee is to ensure that the Company's Management Agreement is competitive and reasonable for the shareholders, along with the Company's agreements with all other third party service providers (other than the external auditors).

The Committee also reviews annually the performance of the Manager with a view to determining whether to recommend to the Board that the Manager's mandate be renewed, subject to the specific notice period requirement of the agreement. The other third party service providers are also reviewed on an annual basis.

The principal contents of the Manager's contract and notice period are contained in note 4 to the Financial Statements.

The Manager has wide experience in managing and administering investment companies and has access to extensive investment management resources. At its meeting of 23 September 2014, the Management Engagement Committee concluded that the continued appointment of the Manager on the terms agreed would be in the best interests of the Company's shareholders as a whole. At the date of this report the Board continues to be of the same opinion.

Nominations Committee

The Nominations Committee comprises all Directors of the Board, with the Chairman being appointed as Chairman of the Nominations Committee. For new appointments to the Board, nominations are sought from the Directors and from other relevant parties and candidates are then interviewed by the Nominations Committee. In the event that a replacement for the Chairman is being sought it would normally be expected that the Senior Independent Director would chair the Committee.

The other duties of the Committee include:-

1. To review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board
2. To consider succession planning
3. To consider the performance of individual directors and determine whether to recommend to the Board that they be put forward for re-election
4. To consider the ongoing terms of appointment of each director.

At its meeting of 23 September 2014, the Nominations Committee concluded that the continued appointment of the Board would be in the best interests of the Company's shareholders as a whole. At the date of this report the Board continues to be of the same opinion.

Remuneration Committee

In view of its non-executive and independent nature, the Board considers that it is not appropriate for there to be a separate Remuneration Committee as anticipated by the AIC Code. The Board as a whole fulfils the functions of the Remuneration Committee, although the Board has included a separate Remuneration Report on page 19 of these Financial Statements.

Internal Controls

Responsibility for the establishment and maintenance of an appropriate system of internal control rests with the Board and to achieve this a process has been established which seeks to:

- Review the risks faced by the Company and the controls in place to address those risks
- Identify and report changes in the risk environment
- Identify and report changes in the operational controls
- Identify and report on the effectiveness of controls and errors arising
- Ensure no override of controls by its service providers, the Manager and the Administrator

A report is tabled and discussed at each Board meeting setting out the risks identified, their potential impact, the controls in place to mitigate them, the residual risk assessment and any exceptions identified during the period under review. The report is reviewed by the Board.

Internal Controls (continued)
Further reports are received and reviewed from the Administrator in respect of compliance, London Stock Exchange continuing obligations and other matters. The reports were reviewed by the Board. No material adverse findings were identified in these reports.

Anti-Bribery and Corruption Policy
The Board has adopted a formal Anti-bribery and Corruption Policy. The policy applies to the Company and to each of its Directors. Furthermore, the policy is shared with each of the Company's main service providers.

Principal Risks and Uncertainties
With the assistance of the Administrator and the Manager, the Board has drawn up a risk matrix, which identifies the key risks to the Company. These fall into the following broad categories:

- Investment Risks: The Company is exposed to the risk that its portfolio fails to perform in line with the Company's objectives if it is inappropriately invested or markets move adversely. The Board reviews reports from the Manager, which has total discretion over portfolio allocation, at each quarterly Board meeting, paying particular attention to this allocation and to the performance and volatility of underlying investments;
- Operational Risks: The Company is exposed to the risks arising from any failure of systems and controls in the operations of the Manager or the Administrator. The Board receives reports annually from the Manager and Administrator on their internal controls;
- Accounting, Legal and Regulatory Risks: The Company is exposed to risk if it fails to comply with the regulations of the UK Listing Authority or if it fails to maintain accurate accounting records. The Administrator provides the Board with regular reports on changes in regulations and accounting requirements; and
- Financial Risks: The financial risks faced by the Company, include market, credit and liquidity risk. These risks and the controls in place to mitigate them are reviewed at each quarterly Board meeting.

The Board reviews and updates the risk matrix to reflect any changes in the control environment.

Relations with Shareholders
The Board welcomes shareholders' views and places great importance on communication with its shareholders. The Board receives regular reports on the views of its shareholders from its brokers, JP Morgan Cazenove and Canaccord Genuity, marketing consultants, Kepler Partners LLP and from its Manager. In addition the Chairman has conducted and continues to conduct meetings with a number of major shareholders in order to receive their view on the Company. The Chairman and other Directors are available to shareholders if requested and the Annual General Meeting of the Company provides a forum for shareholders to meet and discuss issues with the Directors of the Company.

The Company provides weekly unaudited estimates of the NAVs, month-end unaudited NAVs and a monthly newsletter. These are published via RNS and are also available on the Company's website. Risk reports are also available on the Company's website.

In addition to the Company's brokers, the Manager maintains regular dialogue with institutional shareholders, the feedback from whom is reported to the Board.

Significant Shareholders
As at 31 December 2014, the following registered shareholders had significant shareholdings in the Company:

Significant shareholders	Total shares held	% holdings in class
US Dollar shares		
Securities Services Nominees Limited	1,665,707	23.82
Wealth Nominees Limited	1,206,375	17.25
BNP Paribas Arbitrage SNC	708,593	10.13
Euroclear Nominees Limited	668,138	9.55
Vidacos Nominees Limited	655,365	9.37
Pershing Nominees Limited	319,984	4.58
Rathbone Nominees Limited	249,074	3.56
The Bank of New York (Nominees) Limited	245,437	3.51

Significant shareholders	Total shares held	% holdings in class
Sterling Shares		
The Bank Of New York (Nominees) Limited	3,457,498	12.66
Quilter Nominees Limited	2,684,492	9.83
Rathbone Nominees Limited	2,260,939	8.28
Pershing Nominees Limited	1,601,790	5.86
Harewood Nominees Limited	1,520,038	5.57
Brooks MacDonald Nominees Limited	1,383,999	5.07
HSBC Global Custody Nominee (UK) Limited	1,292,473	4.73
Securities Services Nominees Limited	1,282,200	4.69
Smith & Williamson Nominees Limited	1,164,560	4.26
Wealth Nominees Limited	984,029	3.60
Cheviot Capital (Nominees) Limited	966,883	3.54
State Street Nominees Limited	858,590	3.14

Ongoing charges
Ongoing charges for the year ended 31 December 2014 and 31 December 2013 have been prepared in accordance with the AIC's recommended methodology.

Corporate Governance Statement continued

Ongoing charges (continued)
The Ongoing Charges figures include the ongoing charges of BHGO and BHMS for the portion of the year the Company invested in it. BHGO investments were subject to management fees and operational services fees ranging in aggregate from 1% to 2.5% per annum. These fees and the performance fees of the underlying funds are not included in the following figures. BHMS investments are not subject to management fees, operational services fees or performance fees.

The following table presents the Ongoing Charges for each share class:

31.12.14

	US Dollar Shares	Euro Shares	Sterling Shares
Company – Ongoing Charges	1.33%	0.70%	1.28%
BHMS – Ongoing Charges	0.01%	–	0.01%
BHGO – Ongoing Charges	0.02%	0.02%	0.02%
Total Ongoing Charges	1.36%	0.72%	1.31%

31.12.13

	US Dollar Shares	Euro Shares	Sterling Shares
Company – Ongoing Charges	0.74%	0.81%	0.71%
BHGO – Ongoing Charges	0.03%	0.03%	0.03%
Total Ongoing Charges	0.77%	0.84%	0.74%

With effect from 1 September 2014, the Company invests substantially all of its investable assets in the Ordinary Shares issued by BHMS.

Signed on behalf of the Board by:

Sir Michael Bunbury
Chairman

John Hallam
Director

23 March 2015

Audit Committee Report

Dear Shareholder,

On the following pages, we present the Audit Committee's Report for 2014, setting out the responsibilities of the Audit Committee and its key activities in 2014. As in previous years, the Audit Committee has reviewed the Company's financial reporting, the independence and effectiveness of the independent auditor and the internal control and risk management systems of the Company's service providers. In order to assist the Audit Committee in discharging these responsibilities, regular reports are received and reviewed from the Manager, Administrator and independent auditor. Following its review of the independence, objectivity and effectiveness of the Company's independent auditor, the Audit Committee has recommended to the Board that KPMG Channel Islands Limited be reappointed as independent auditor, which the Board will submit to the Company's Members for approval.

A member of the Audit Committee will continue to be available at each Annual General Meeting to respond to any shareholder questions on the activities of the Audit Committee.

John Hallam
Chairman, Audit Committee

Responsibilities
The Audit Committee reviews and recommends to the Board, the Financial Statements of the Company and is the forum through which the independent auditor reports to the Board of Directors. The independent auditor and the Audit Committee are able to meet together, without representatives of either the Administrator or Manager being present, if either consider this to be necessary.

The role of the Audit Committee includes:

- monitoring the integrity of the published financial statements of the Company;
- review and report to the Board on the significant issues and judgements made in the preparation of the Company's published financial statements, (having regard to matters communicated by the independent auditor) and other financial information;
- monitor and review the quality and effectiveness of the independent auditor and their independence;
- consider and make recommendations to the Board on the appointment, reappointment, replacement and remuneration to the Company's independent auditor;
- review the Company's procedures for prevention, detection and reporting of fraud, bribery and corruption; and
- monitor and review the internal control and risk management systems of the service providers.

The Audit Committee's full terms of reference can be obtained by contacting the Administrator.

Key activities of the Audit Committee:
The following sections discuss the activities of the Audit Committee during the year:

Financial Reporting:
The Audit Committee's review of the annual financial statements focused on what it believes to be the only significant issue:

The Company's investment in BHMS, had a fair value of US$673,396,429 as at 31 December 2014 and represents the majority of the net assets of the Company and as such is the biggest factor in relation to the accuracy of the Financial Statements. The valuation of the investment is determined in accordance with the accounting policy in note 3 to the Financial Statements. The financial statements of BHMS for the year ended 31 December 2014 were audited by KPMG Cayman who issued an unqualified audit opinion dated 20 March 2015. The Audit Committee considered the financial statements of BHMS and its accounting policies in determining that the fair value of the investment in BHMS is reasonable.

The independent auditor reported to the Committee that no material misstatements were found in the course of their work. Furthermore, the Manager and Administrator confirmed to the Committee that they were not aware of any material misstatements including matters relating to financial statement presentation. The Audit Committee confirms that it is satisfied that the independent auditor has fulfilled its responsibilities with diligence and professional scepticism. At the request of the Board the Audit Committee considered whether the 2014 Annual Report and Audited Financial Statements, taken as a whole, are fair, balanced and understandable and whether they provided the necessary information for shareholders to assess the Company's performance, business model and strategy. The Audit Committee are satisfied that, the Annual Report and Audited Financial Statements, taken as a whole, are fair, balanced and understandable.

Following a review of the presentations and reports from the Administrator and consulting where necessary with the independent auditor, the Audit Committee is satisfied that the financial statements appropriately address the critical judgements and key estimates (both in respect to the amounts reported and the disclosures). The Audit Committee is also satisfied that the significant assumptions used for determining the value of assets and liabilities have been appropriately scrutinised, challenged and are sufficiently robust.

Risk Management:
The Audit Committee continued to consider the process for managing the risk faced by the Company and its service providers. Risk management procedures for the Company, as detailed in the Company's risk assessment matrix, were reviewed and approved by the Audit Committee.

Audit Committee Report continued

Fraud, Bribery and Corruption:
The Audit Committee continued to monitor and review the fraud, bribery and corruption procedures of the Company. The Board receives a confirmation from all major service providers that they are not aware of any instances of fraud, bribery or corruption.

The Independent Auditor
Independence, objectivity and fees:

The independence and objectivity of the independent auditor is regularly reviewed by the Audit Committee which also reviews the terms under which the independent auditor is appointed to perform non-audit services. The Audit Committee has established pre-approval policies and procedures for the engagement of the independent auditor to provide audit, assurance and tax services. These are that the independent auditor's may not provide a service which:

- places them in a position to audit their own work;
- creates a mutuality of interest;
- results in the independent auditor developing close relationships with service providers of the Company;
- results in the independent auditor functioning as a manager or employee of the Company; or
- puts the independent auditor in the role of advocate of the Company.

As a general rule, the Audit Committee does not utilise the independent auditor for internal audit purposes, secondment or valuation advice. Services such as tax compliance, tax restructuring, quarterly reviews and disclosure advice are normally permitted but must be pre-approved by the Audit Committee where fees are likely to be in excess of £25,000.

The Audit Committee considered reports from the independent auditor on their procedures to identify and mitigate any threats to independence and concluded that the procedures were sufficient to identify any threats to independence. The Audit Committee together with the Chairman and the Administrator completed a questionnaire covering areas such as quality of audit team, business understanding, audit approach and management. The results of the questionnaire indicated that the independent auditor performed effectively during the period.

The following table summarises the remuneration paid to KPMG Channel Islands Limited and to other KPMG member firms for audit and non-audit services provided to the Company during the years ended 31 December 2014 and 31 December 2013:

	01.01.14 to 31.12.14	01.01.13 to 31.12.13
KPMG Channel Islands Limited		
– Annual audit	£27,000	£26,300
– Auditor's interim review	£8,750	£8,500
– Specified procedures relating to the Euro redemption price	£5,000	£0
– Tax advice on investment trust rules	£0	£3,000
Other KPMG member firms		
– German Tax Reporting Services	£0	£40,670
– Specified procedures relating to the change in investment policy	£9,400	£0

In line with the policies and procedures above, the Audit Committee does not consider that the provision of these non-audit services, which comprised German investors' tax reporting services for prior periods and specified procedures relating to the Euro share class closure and change in investment policy, to be a threat to the objectivity and independence of the independent auditor. The Audit Committee also notes that German investor tax reporting services ceased after those relating to the year ended 31 December 2012 were completed. The Audit Committee has also considered the overall level of services provided by KPMG member firms to the wider Brevan Howard organisation and does not consider these to pose a threat to the independent auditor's independence.

KPMG Channel Islands Limited has been the Company's independent auditor from the date of the initial listing on the London Stock Exchange. The recent revisions to the UK Corporate Governance Code introduced a recommendation that the external audit be put out to tender every ten years. The Audit Committee has noted this and will develop a plan for tendering at the appropriate time.

The Audit Committee has examined the scope and results of the external audit, its cost effectiveness and the independence and objectivity of the independent auditor, with particular regard to non-audit fees, and considers KPMG Channel Islands Limited, as independent auditor, to be independent of the Company.

Performance and effectiveness:
During the year, when considering the effectiveness of the independent auditor, the Audit Committee has taken into account the following factors:-

- The audit plan presented to them;
- The post audit report including variations from the original plan;
- Changes in audit personnel;

Performance and effectiveness: (continued)

- The independent auditor's own internal procedures to identify threats to independence; and

- Feedback from both the Manager and Administrator.

The Audit Committee reviewed the audit plan and the audit findings report of the independent auditor and concluded that the audit plan sufficiently identified audit risks and that the audit findings report indicated that the audit risks were sufficiently addressed and that there were no significant variations from the audit plan.

Reappointment:

Consequent to the review discussed above, the Audit Committee has recommended to the Board that a resolution be put to the 2015 AGM for the reappointment of KPMG Channel Islands Limited as independent auditor. The Board has accepted this recommendation.

Internal control and risk management systems

As the Company's investment objective is to invest all of its assets in BHMS, the Audit Committee, after consultation with the Manager and independent auditor, considers the key risk of misstatement in its financial statements to be the valuation of its investment in BHMS, but are also mindful of the risk of the override of controls by its service providers, the Manager and Administrator.

The Audit Committee reviews and examines externally prepared assessments of the control environment in place at the Manager and the Administrator, with each providing a Service Organisation Report ("SOC1"). No significant failings or weaknesses were identified in these reports by the Audit Committee.

The Audit Committee periodically reviews the need for an internal audit function. The Committee is of the view that the systems, procedures and internal audit functions in operation at both the Manager and Administrator (which last year included an on-site visit by the Manager to the Administrator) provide sufficient assurance that a sound system of internal control is being maintained. An internal audit function, specific to the Company, is therefore considered unnecessary.

The Audit Committee Report was approved by the Board on 23 March 2015 and signed on its behalf by:

John Hallam
Chairman, Audit Committee

Statement of Directors' Responsibility in Respect of the Annual Report and Audited Financial Statements

The Directors are responsible for preparing the Directors' Report and the Financial Statements in accordance with applicable laws and regulations.

Guernsey company law requires the Directors to prepare Financial Statements for each financial year. Under that law they have elected to prepare the Financial Statements in conformity with United States Generally Accepted Accounting Principles.

The Financial Statements are required by law to 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 estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements comply with the Companies (Guernsey) Law, 2008. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

We confirm to the best of our knowledge that:

- so far as each of the Directors is aware, there is no relevant audit information of which the Company's Independent Auditor is unaware, and each has taken all the steps he ought to have taken as a Director to make himself aware of any relevant information and to establish that the Company's Independent Auditor is aware of that information;
- the Financial Statements have been prepared in conformity with United States Generally Accepted Accounting Principles and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy; and
- the Financial Statements include information detailed in the Chairman's Statement, the Directors' Report, and the Manager's Report, which provides a fair view of information required by:-
  (a) DTR 4.1.8 of the Disclosure and Transparency Rules, being a fair review of the Company business and a description of the principal risks and uncertainties facing the Company; and
  (b) DTR 4.1.12 of the Disclosure and Transparency Rules, being that the Financial Statements are prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and that the Annual Report includes a fair review of the development and performance of the business and position of the Company together with a description of the principal risks and uncertainties that it faces.

Signed on behalf of the Board by:

Sir Michael Bunbury
Chairman

John Hallam
Director

23 March 2015

Directors' Remuneration Report

As at 31 December 2014

Introduction
An ordinary resolution for the approval of this Directors' Remuneration Report will be put to the shareholders at the forthcoming Annual General Meeting to be held in 2015.

Remuneration policy
All Directors are non-executive and a Remuneration Committee has not been established. The Board as a whole considers matters relating to the Directors' remuneration. An external assessment of Directors' remuneration has not been undertaken.

The Company's policy is that the fees payable to the Directors should reflect the time spent by the Directors on the Company's affairs and the responsibilities borne by the Directors and be sufficient to attract, retain and motivate directors of a quality required to run the Company successfully. The Chairman of the Board is paid a higher fee in recognition of his additional responsibilities, as are the Chairmen of the Audit Committee and Management Engagement Committee. The policy is to review fee rates periodically, although such a review will not necessarily result in any changes to the rates, and account is taken of fees paid to directors of comparable companies.

There are no long term incentive schemes provided by the Company and no performance fees are paid to Directors.

No Director has a service contract with the Company but each of the Directors is appointed by a letter of appointment which sets out the main terms of their appointment. The Directors were appointed to the Board for an initial term of three years and Section 21.3 of the Company's Articles requires all of the Directors to retire at each Annual General Meeting. In line with the AIC Code each Director will put themselves up for re-election at each Annual General Meeting. At the Annual General Meeting of the Company, on 2 July 2014, shareholders re-elected all the Directors of the Company. Director appointments can also be terminated in accordance with the Articles. Should shareholders vote against a Director standing for re-election, the Director affected will not be entitled to any compensation. There are no set notice periods and a Director may resign by notice in writing to the Board at any time.

Directors are remunerated in the form of fees, payable quarterly in arrears, to the Director personally. John Hallam, Graham Harrison, Talmai Morgan and Nicholas Moss each received a further payment of £15,000 for additional work undertaken during the year in relation to the Euro share class closure and the change in investment policy. No other remuneration or compensation was paid or payable by the Company during the year to any of the Directors apart from the reimbursement of allowable expenses.

Directors' fees
The Company's Articles limit the fees payable to Directors in aggregate to £500,000 per annum.

The fees payable by the Company in respect of each of the Directors who served during the year, and during 2013, were as follows:

	01.01.14 to 31.12.14 £	01.01.13 to 31.12.13 £
Sir Michael Bunbury	150,000	150,000
John Hallam	51,000	36,000
Graham Harrison	48,000	33,000
Talmai Morgan	48,000	33,000
Nicholas Moss	51,000	36,000
Stephen Stonberg*	8,250	33,000
Total	356,250	321,000

* Stephen Stonberg resigned from the Board on 31 March 2014.

Company performance
The graphs on page 3 detail the share price returns of the Company.

Signed on behalf of the Board by:

Sir Michael Bunbury
Chairman

John Hallam
Director

23 March 2015

Board Members

The Directors of the Company, all of whom are non-executive, are listed below:

Sir Michael Bunbury (Chairman), age 68
Sir Michael Bunbury is Chairman and non-executive director of the Company. He is an experienced director of listed and private investment, property and financial services companies and trustee for high net worth families. He is currently the Chairman of HarbourVest Global Private Equity Limited, JP Morgan Claverhouse Investment Trust plc, a director of Invesco Perpetual Select Trust plc, a consultant to Smith & Williamson and a former director of Foreign & Colonial Investment Trust plc. Sir Michael began his career in 1968 at Buckmaster & Moore, before joining Smith & Williamson, Investment Managers and Chartered Accountants, in 1974 as a Partner. He later served as director and chairman and remains a consultant to the firm. Sir Michael was appointed to the Board in 2013.

John Hallam, (Senior Independent Director), age 66
John Hallam, aged 66 and resident in Guernsey, is a Fellow of the Institute of Chartered Accountants in England and Wales and qualified as an accountant in 1971. He is a former partner of PricewaterhouseCoopers having retired in 1999 after 27 years with the firm both in Guernsey and in other countries. He is a director of a number of financial services companies, some of which are listed on the London Stock Exchange. He served for many years as a member of the Guernsey Financial Services Commission from which he retired in 2006 having been its Chairman for the previous three years. Mr. Hallam was appointed to the Board in 2008.

Graham Harrison, age 49
Graham Harrison is a Guernsey resident and a Chartered Fellow of the Chartered Institute for Securities and Investment. Mr Harrison is co-founder and Group Managing Director of Asset Risk Consultants ("ARC"). After obtaining a post graduate degree from the London School of Economics, Mr Harrison worked for HSBC in its corporate finance division where he specialised in financial engineering. Following a secondment with the Caribbean Development Bank he moved to Guernsey to work for the Bachmann Group with a brief to develop asset management and investment consultancy services. In 2002 he led the management buy-out of ARC, taking the company independent. Mr Harrison is a director of a number of investment vehicles one of which is listed. Mr Harrison was appointed to the Board in 2010.

Talmai Morgan, age 62
Talmai Morgan, aged 62, qualified as a Barrister in 1976. He holds a MA in Economics and Law from Cambridge University. He moved to Guernsey in 1988 where he worked for Barings and then for the Bank of Bermuda. From 1999 to 2004, he was Director of Fiduciary Services and Enforcement at the Guernsey Financial Services Commission (Guernsey's financial regulatory agency) where he was responsible for the design and subsequent implementation of Guernsey's law relating to the regulation of fiduciaries, administration businesses and company directors. He was also particularly involved in the activities of the Financial Action Task Force and the Offshore Group of Banking Supervisors. For the last ten years, Mr Morgan has been the non-executive chairman or a non-executive director of a number of publicly listed investment companies. He is presently Chairman of NB Private Equity Partners Limited, Sherborne Investors (Guernsey) B Limited and Global Fixed Income Realisation Limited. He also sits on the board of BH Macro Limited, NB Distressed Debt Investment Fund Limited, John Laing Infrastructure Fund Limited and Real Estate Credit Investments PCC Limited. Mr. Morgan was appointed to the Board in 2008.

Nicholas Moss, age 55
Nicholas Moss is a Guernsey resident and a Fellow of the Institute of Chartered Accountants in England & Wales. He is a founder director of the Virtus Trust Group, a Guernsey based fiduciary, corporate services and investment consulting business. Prior to establishing Virtus Trust, Mr Moss was a managing director within the Rothschild Trust Group in Guernsey where he spent 16 years structuring and administering complex onshore and offshore trusts for corporates and ultra high net worth families. He has wide experience in the selection of investment managers for his clients and the subsequent evaluation and monitoring of these portfolios. He holds a number of non-executive Board appointments including some London listed companies. Mr Moss was appointed to the Board in 2008.

The following summarises the Directors' directorships in other public companies:

Company Name	**Exchange**
Sir Michael Bunbury	
HarbourVest Global Private Equity Limited	Amsterdam and SFM
Invesco Perpetual Select Trust plc	London
JP Morgan Claverhouse Investment Trust plc	London
John Hallam	
HICL Infrastructure Co Limited	London
NB Distressed Debt Investment Fund Limited	SFM and Channel Islands
NB Private Equity Partners Limited	Amsterdam, SFM and Channel Islands
Partners Group Global Opportunities Limited	Ireland
Graham Harrison	
Real Estate Credit Investments PCC Limited	London
Talmai Morgan	
BH Macro Limited	London, Bermuda and Dubai
Global Fixed Income Realisation Limited	Ireland
John Laing Infrastructure Fund Limited	London
NB Distressed Debt Investment Fund Limited	SFM and Channel Islands
NB Private Equity Partners Limited	Amsterdam, SFM and Channel Islands
Real Estate Credit Investments PCC Limited	London
Sherborne Investors (Guernsey) B Limited	SFM
Nicholas Moss	
BACIT Limited	London
Carador Income Fund PLC	London

Certain Directors hold additional directorships in companies that are listed on various exchanges but are not actively traded. Details of these may be obtained from the Company Secretary.

Independent Auditor's Report to the Members of BH Global Limited

Opinions and conclusions arising from our audit
Opinion on the financial statements
We have audited the financial statements of BH Global Limited (the "Company") for the year ended 31 December 2014 which comprise the Audited Statement of Assets and Liabilities, the Audited Statement of Operations, the Audited Statement of Changes in Net Assets, the Audited Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and accounting principles generally accepted in the United States of America.

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2014 and of its net decrease in net assets resulting from operations for the year then ended;
- are in conformity with accounting principles generally accepted in the United States of America; and
- comply with the Companies (Guernsey) Law, 2008.

Our assessment of risks of material misstatement
The risks of material misstatement detailed in this section of this report are those risks that we have deemed, in our professional judgement, to have had the greatest effect on: the overall audit strategy; the allocation of resources in our audit; and directing the efforts of the engagement team. Our audit procedures relating to these risks were designed in the context of our audit of the financial statements as a whole. Our opinion on the financial statements is not modified with respect to any of these risks, and we do not express an opinion on these individual risks.

In arriving at our audit opinion above on the financial statements, the risk of material misstatement that had the greatest effect on our audit was as follows:

Valuation of Investment in BHMS
Refer to page 15 of the Report of the Audit Committee and Note 3 'Significant accounting policies'

- **The risk** – The Company, which is a multi-class feeder fund, had invested 98.6% of its total assets at 31 December 2014 into the ordinary US Dollar and Sterling denominated Class G Shares issued by Brevan Howard Multi-Strategy Master Fund Limited (the "Master Fund"), which is an open ended investment company. The Company's investment holdings in the Master Fund are valued using the respective net asset value per share class as provided by the Master Fund's administrator. The valuation of the Company's investment in the Master Fund, given it represents the majority of the net assets of the company, is a significant area of our audit.
- **Our response** – Our audit procedures with respect to the Company's investment in the Master Fund included, but were not limited to, obtaining the net asset value per share and holdings per share confirmations for each respective share class directly from the administrator of the Master Fund, obtaining reports and undertaking discussions on key audit findings with the auditor of the Master Fund and the examination of the Master Fund's coterminous audited financial statements. We also considered the Company's investment valuation policies as disclosed in Note 3 to the financial statements for compliance with accounting principles generally accepted in the United States of America.

Our application of materiality and an overview of the scope of our audit
Materiality is a term used to describe the acceptable level of precision in the financial statements. Auditing standards describe a misstatement or an omission as "material" if it could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The auditor has to apply judgement in identifying whether a misstatement or omission is material and to do so the auditor identifies a monetary amount as "materiality for the financial statements as a whole".

The materiality for the financial statements as a whole was set at $20,100,000. This has been calculated using a benchmark of the Company's net assets.

We agreed with the Audit Committee to report to it all corrected and uncorrected misstatements we identified through our audit with a value in excess of $1,000,000, in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Our audit of the Company was undertaken to the materiality level specified above, which has informed our identification of significant risks of material misstatement and the associated audit procedures performed in those areas detailed above. The audit was performed at the offices of the Company's administrator.

Whilst the audit process is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather we plan the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant depth of work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the Responsible Individual, to subjective areas of the accounting and reporting process.

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 Board of Directors; and the overall presentation of the financial statements. In addition, we

Our application of materiality and an overview of the scope of our audit (continued)

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.

Matters on which we are required to report by exception

Under International Standards on Auditing (UK and Ireland) we are required to report to you if, based on the knowledge we acquired during our audit, we have identified other information in the Annual Report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In particular, we are required to report to you if:

- we have identified material inconsistencies between the knowledge we acquired during our audit and the directors' statement that they consider that the Annual Report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for members to assess the Company's performance, business model and strategy; or
- the Audit Committee Report does not appropriately address matters communicated by us to the Audit Committee.

Under the Companies (Guernsey) Law, 2008, we are required to report to you if, in our opinion:

- the Company has not kept proper accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations, which to the best of our knowledge and belief are necessary for the purpose of our audit.

Under the Listing Rules we are required to review the part of the Corporate Governance Statement on pages 10 to 14 relating to the Company's compliance with the ten provisions of the UK Corporate Governance Code specified for our review.

We have nothing to report in respect of the above responsibilities.

Scope of report and responsibilities

The purpose of this report and restrictions on its use by persons other than the Company's members as a body

This report is made solely to the Company's members, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008 and, in respect of any further matters on which we have agreed to report, on terms we have agreed with the Company. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 18, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the UK Ethical Standards for Auditors.

Lee C Clark
For and on behalf of KPMG Channel Islands Limited
Chartered Accountants and Recognised Auditors
Glategny Court
Glategny Esplanade
St Peter Port
Guernsey
GY1 1WR

23 March 2015

The maintenance and integrity of the BH Global Limited website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements or audit report since they were initially presented on the website.

Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Audited Statement of Assets and Liabilities

As at 31 December 2014

	31.12.14 US$'000	31.12.13 US$'000
Assets		
Investment in BHMS	673,396	–
Investment in BHGO	197	1,011,124
Other debtors	86	117
Cash and bank balances denominated in US Dollars	3,276	471
Cash and bank balances denominated in Euro	–	921
Cash and bank balances denominated in Sterling	5,739	1,653
Total assets	**682,694**	**1,014,286**
Liabilities		
Cash and bank balances denominated in Euro	1	–
Loan notes payable (notes 3 and 9)	6,668	–
Redemptions in respect of buybacks payable	1,584	–
Management fees payable (note 4)	1,145	448
Accrued expenses and other liabilities	234	171
Directors' fees and expenses payable	112	133
Administration fees payable (note 4)	43	60
Total liabilities	**9,787**	**812**
Net assets	**672,907**	**1,013,474**
Number of shares in issue (note 5)		
US Dollar shares	6,994,093	11,447,780
Euro shares	–	8,987,596
Sterling shares	27,313,033	31,727,417
Net asset value per share (notes 7 and 10)		
US Dollar shares	US$13.44	US$13.12
Euro shares	–	€13.19
Sterling shares	£13.62	£13.34

See accompanying notes to the Financial Statements.

Signed on behalf of the Board by:

Sir Michael Bunbury
Chairman

John Hallam
Director

23 March 2015

Audited Statement of Operations

For the year ended 31 December 2014

	01.01.14 to 31.12.14 US$'000	01.01.13 to 31.12.13 US$'000
Net investment gain allocated from BHMS		
Interest	2,620	–
Expenses	(230)	–
Net investment gain allocated from BHMS	**2,390**	**–**
Net investment loss allocated from BHGO		
Interest	3	15
Expenses	(202)	(235)
Net investment loss allocated from BHGO	**(199)**	**(220)**
Company income		
Foreign exchange gains (note 3)	–	17,065
Total Company income	**–**	**17,065**
Company expenses		
Management fees (note 4)	7,809	4,890
Other expenses	2,317	1,429
Directors' fees and expenses	587	505
Administration fees (note 4)	315	349
Foreign exchange losses (note 3)	46,164	–
Total Company expenses	**57,192**	**7,173**
Net investment (loss)/gain	**(55,001)**	**9,672**
Net realised and unrealised gains/(losses) on investments allocated from BHMS		
Net realised gain on investments	22,743	–
Net unrealised loss on investments	(5,048)	–
Net realised and unrealised foreign exchange gain		
– on hedging	603	–
Net realised and unrealised gains on investments allocated from BHMS	**18,298**	**–**
Net realised and unrealised (losses)/gains on investments allocated from BHGO		
Net realised (loss)/gain on investments	(10,760)	31,423
Net unrealised gain on investments	–	5,966
Net realised and unrealised foreign exchange gain/(loss)		
– on hedging	530	1,197
– on capital (note 3)	4,171	(12,849)
Net realised and unrealised (losses)/gains on investments allocated from BHGO	**(6,059)**	**25,737**
Net increase/(decrease) in net assets resulting from operations	**(42,762)**	**35,409**

See accompanying notes to the Financial Statements.

Audited Statement of Changes in Net Assets

For the year ended 31 December 2014

	01.01.14 to 31.12.14 US$'000	01.01.13 to 31.12.13 US$'000
Net (decrease)/increase in net assets resulting from operations		
Net investment (loss)/gain	(55,001)	9,672
Net realised gain on investments allocated from BHGO and BHMS	11,983	31,423
Net unrealised (loss)/gain on investments allocated from BHGO and BHMS	(5,048)	5,966
Net realised and unrealised foreign exchange gain/(loss) allocated from BHGO and BHMS	5,304	(11,652)
	(42,762)	**35,409**
Share capital transactions		
Purchase of own shares (note 5)		
US Dollar shares	(18,021)	(488)
Euro shares	–	(301)
Sterling shares	(65,529)	(11,691)
	(83,550)	**(12,480)**
Partial capital return		
US Dollar shares	–	(6,992)
Euro shares	–	(1,569)
Sterling shares	–	(32,089)
	–	**(40,650)**
Repayment of Offer Costs		
US Dollar shares	(47)	–
Euro shares	(6,031)	–
Sterling shares	(400)	–
	(6,478)	**–**
Redemption of Euro share class	**(207,777)**	**–**
Net decrease in net assets	**(340,567)**	**(17,721)**
Net assets at the beginning of the year	**1,013,474**	**1,031,195**
Net assets at the end of the year	**672,907**	**1,013,474**

See accompanying notes to the Financial Statements.

Audited Statement of Cash Flows

For the year ended 31 December 2014

	01.01.14 to 31.12.14 US$'000	01.01.13 to 31.12.13 US$'000
Cash flows from operating activities		
Net (decrease)/increase in net assets resulting from operations	(42,762)	35,409
Adjustments to reconcile net (decrease)/increase in net assets resulting from operations to net cash provided by operating activities:		
Net investment (gain)/loss allocated from BHGO and BHMS	(2,191)	220
Net realised gain on investments allocated from BHGO and BHMS	(11,983)	(31,423)
Net unrealised loss/(gain) on investments allocated from BHGO and BHMS	5,048	(5,966)
Net realised and unrealised foreign exchange (gain)/loss allocated from BHGO and BHMS	(5,304)	11,652
Purchase of investment in BHGO and BHMS	(26,212)	(1,338)
Proceeds from sale of investment in BHGO and BHMS	331,205	63,444
Interest expense on short term loan	241	72
Foreign exchange loss/(gains)	46,164	(17,065)
Decrease/(increase) in other debtors	31	(27)
Increase in management fees payable	697	11
Increase in accrued expenses and other liabilities	58	67
(Decrease)/increase in Directors' fees payable	(21)	3
Decrease in administration fees payable	(17)	–
Net cash provided by operating activities	**294,954**	**55,059**
Cash flows from financing activities		
Purchase of own shares	(81,967)	(12,480)
Partial capital return	–	(40,650)
Proceeds of borrowings from short term loan	48,849	14,704
Repayment of borrowings from short term loan	(41,363)	(21,363)
Interest paid on short term loan	(236)	(100)
Repayment of Offer Costs	(6,478)	–
Redemption of euro share class	(207,777)	–
Net cash used in financing activities	**(288,972)**	**(59,889)**
Change in cash	**5,982**	**(4,830)**
Cash, beginning of the year	**3,045**	**7,811**
Effect of exchange rate fluctuations	(13)	64
Cash, end of the year	**9,014**	**3,045**
Cash, end of the year		
Cash and bank balances denominated in US Dollars	3,276	471
Cash and bank balances denominated in Euro	(1)	921
Cash and bank balances denominated in Sterling	5,739	1,653
	9,014	**3,045**

Supplemental disclosure of non-cash financing activities:

In specie divestment in BHGO (Note 11)	*666,408*	–
In specie investment in BHMS (Note 11)	*(666,408)*	–

See accompanying notes to the Financial Statements

Notes to the Audited Financial Statements

For the year ended 31 December 2014

1. The Company

BH Global Limited (the "Company") is a limited liability closed-ended investment company incorporated in Guernsey on 25 February 2008 for an unlimited period, with registration number 48555.

The Company was admitted to a Primary Listing on the Official List of the London Stock Exchange on 29 May 2008. As a result of changes to the UK Listing Regime, the Company's Primary Listing became a Premium Listing with effect from 6 April 2010.

As of 20 October 2008 the Company obtained a Secondary Listing on the Bermuda Stock Exchange and with effect from 11 November 2008, the US Dollar shares of the Company were admitted to a Secondary Listing on NASDAQ Dubai.

The Company offers multiple classes of ordinary shares, which differ in terms of currency of issue. To date, ordinary shares have been issued in US Dollar, Euro and Sterling.

On 27 February 2014 the shareholders of the Euro Share Class voted in favour of the Class Closure Resolution and closure of the Euro Share Class which was completed in August 2014, as discussed in Note 8.

2. Organisation

Prior to 1 September 2014, the Company's investment objective was to seek to generate consistent long-term capital appreciation through an investment policy of investing all of its assets (net of those expenses of the initial public offering borne by the Company and funds required for its short-term working capital requirements) in Brevan Howard Global Opportunities Master Fund Limited ("BHGO"). The Company maintains a residual holding in BHGO pending the orderly liquidation of BHGO anticipated to occur in 2015. The net assets held by BHGO only include cash and deposits held with broker.

On 28 August 2014 the shareholders voted in favour of changing the investment policy and effective 1 September 2014, the Company's investment objective is to seek to generate consistent long-term capital appreciation through an investment policy of investing all of its assets (net of funds required for its short-term working capital requirements) in Brevan Howard Multi-Strategy Master Fund Limited ("BHMS").

The Company is organised as a feeder fund and invests substantially all of its investable assets in the ordinary US Dollar and Sterling denominated Class G shares issued by BHMS, and, as such, the Company is directly and materially affected by the performance and actions of BHMS.

As such the Financial Statements of the Company should be read in conjunction with the Annual Audited Financial Statements of BHMS and BHGO, which can be found on the Company's website, www.bhglobal.com.

BHMS is an open-ended investment company incorporated with limited liability in the Cayman Islands on 21 January 2008.

As at 31 December 2014 the percentage BHMS's investment represented of the underlying funds' NAVs are as follows:

Brevan Howard Master Fund Limited	–	7.53%
Brevan Howard Asia Master Fund Limited	–	12.19%
DW Catalyst Master Fund, Ltd. *(formerly Brevan Howard Credit Catalysts Master Fund Limited)*	–	11.48%
Brevan Howard Commodities Strategies Master Fund Limited	–	32.23%
Brevan Howard Systematic Trading Master Fund Limited	–	98.25%
DW Value Master Fund, Ltd. *(formerly Brevan Howard Credit Value Master Fund Limited)*	–	2.59%

BHMS's allocation between these vehicles is disclosed on page 4.

BHMS has flexibility to invest in a wide range of instruments including, but not limited to, debt securities and obligations (which may be below investment grade), bank loans, listed and unlisted equities, other collective investment schemes or vehicles (which may be open-ended or closed-ended, listed or unlisted, regulated or unregulated and may employ leverage (each an "Investment Fund")), currencies, commodities, futures, options, warrants, swaps and other derivative instruments. Derivative instruments may be exchange traded or OTC. BHMS may engage in short sales. BHMS may retain amounts in cash or cash equivalents (including money market funds) pending reinvestment, for use as collateral or if this is considered appropriate to the investment objective.

Subject to the investment restrictions and investment approach disclosed in any prospectus for BHMS that may be published from time to time and subsequent BHMS directors' resolutions, BHMS employs an investment process which empowers the Manager to allocate assets to both Investment Funds and directly to the investment managers of BHMS from time to time on an opportunistic basis.

At the date of these Financial Statements, there were two other feeder funds in operation in addition to the Company that invest all of their assets (net of working capital) in BHMS.

Off-balance sheet, market and credit risks of BHMS's investments and activities are discussed in the notes to the Annual Audited Financial Statements of BHMS. The Company's investment in BHMS exposes it to various types of risk, which are associated with the financial instruments and markets in which the Brevan Howard funds invest. Market risk represents the potential loss in value of financial instruments caused by movements in market factors including, but not limited to, market liquidity, investor sentiment and foreign exchange rates.

2. Organisation (continued)

The Manager
Brevan Howard Capital Management LP (the "Manager") is the manager of the Company. The Manager is a Jersey limited partnership, the sole general partner of which is Brevan Howard Capital Management Limited, a Jersey limited company (the "General Partner"). The General Partner is regulated in the conduct of fund services business by the Jersey Financial Services Commission pursuant to the Financial Services (Jersey) Law, 1998 and the Orders made thereunder and is the Alternative Investment Manager ("AIFM") of the Company for the purposes to the European Union Alternative Investment Fund Manager Directive ("AIFMD").

The Manager also manages BHMS, BHGO and the Brevan Howard underlying funds.

3. Significant accounting policies

The Financial Statements which give a true and fair view, are prepared in conformity with United States Generally Accepted Accounting Principles and comply with the Companies (Guernsey) Law, 2008. The functional and reporting currency of the Company is US Dollars.

The Company is an Investment Entity which has applied the provisions of ASC 946-10-50.

Following the results of Class Closure Resolutions (as discussed in Note 8 – Discount Management Programme), after making enquiries of the Manager and Brokers and given the nature of the Company and its investment, it is appropriate to adopt the going concern basis in preparing these Financial Statements as the Directors consider that the Company is able to continue for the foreseeable future.

The following are significant accounting policies adopted by the Company:

Valuation of investments
The Company records its investment in the Class G shares of BHMS at fair value. Fair value is determined as the Company's proportionate share of BHMS's net assets. At 31 December 2014, the Company's US Dollar, and Sterling capital account represents 2.44%, and 15.22% respectively of BHMS's capital. The net asset value of BHMS is used as a measure of fair value as this is the price at which the Company may redeem its investment. The Company maintains a residual holding in BHGO with a fair value of US$196,990, pending BHGO's orderly liquidation anticipated to occur in 2015.

Fair value measurement
Accounting Standards Codification ("ASC") Topic 820 defines fair value as the price that the Company would receive upon selling a security in an orderly transaction to an independent buyer in the principal or most advantageous market of the security.

ASC 820 establishes a three-level hierarchy to maximise the use of observable market data and minimise the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, for example, the risk inherent in a particular valuation technique used to measure fair value including such a pricing model and/or the risk inherent in the inputs to the valuation technique. Inputs may be observable or unobservable.

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity.

Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgement.

Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgement by the Company's Directors (the "Board"). After consultation with the Administrator and Manager, the Board considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Board's perceived risk of that instrument.

Notes to the Audited Financial Statements continued

For the year ended 31 December 2014

3. Significant accounting policies (continued)

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Board's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date.

The Board uses prices and inputs that are current as of the measurement date, including periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many securities. This condition could cause a security to be reclassified to a lower level within the fair value hierarchy.

The valuation and classification of securities held by BHMS and BHGO is discussed in the notes to their respective Financial Statements which are available on the Company's website, www.bhglobal.com.

Income and expenses

The Company records monthly its proportionate share of BHMS's and BHGO's income, expenses and realised and unrealised gains and losses. In addition, the Company accrues its own income and expenses.

Use of estimates

The preparation of Financial Statements in conformity with United States Generally Accepted Accounting Principles requires the Board to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of those Financial Statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

Share issue expenses

Share issue expenses of US$10,552,146 were borne by the Company and were charged against the Share capital account at launch. In accordance with the Placing Agreement dated 28 April 2008, the Manager paid the costs and expenses of, and incidental to, the Offer (including all costs related to the establishment of the Company) (the "Offer Costs") which were in excess of 1% of the gross proceeds of the Offer. The Offer Costs paid by the Manager amounted to US$26,559,274.

Pursuant to the terms of the Management Agreement, the Company must repay to the Manager a fraction of these Offer Costs for every US Dollar by which repurchases, redemptions or cancellations of the Company's shares reduce the current US Dollar NAV of the Company below its NAV at the time of the Company's listing, being US$1,044,631,308. The current US Dollar NAV is calculated using the exchange rate ruling at the time of the Company's listing and at 31 December 2014 stood at US$830,438,880. The amount of these Offer Costs to be repaid for every US Dollar by which the Company's NAV is reduced will be up to 2.55 cents (or such lower amount as may result from any reduction in the Offer Costs actually paid by the Manager), being the figure obtained by dividing the Offer Costs by the NAV of the Company at the time of its listing.

During the year ended 31 December 2014, US$6,478,122 (31 December 2013: US$nil) was repayable to the Manager as Offer Costs. At 31 December 2014, US$105,003 (31 December 2013: US$nil) of the Offer Cost reclaim remained outstanding.

This provision expires on 29 May 2015. In addition, the Management Agreement requires the Company to pay the Manager an amount equal to all or part of the Offer Costs in the following circumstances: (i) payment is required in full if the Company is wound up on or before 29 May 2015, or (ii) in part if shares are redeemed as a result of a Class Closure Resolution passed on or before 29 May 2015 (with the percentage of the Offer Costs that are repayable being equal to the percentage that the number of shares redeemed represents of the total number of the Company's shares in issue).

Any repurchases, redemptions or cancellations will be priced to take into account any fractional Offer Cost repayments and therefore ensure that continuing shareholders should not be prejudiced.

In respect of the Euro Class closure, the Articles of the Company required that (i) the Company deducted from the NAV per share payable on redemption of the Euro Class shares a fractional amount of the costs of the Euro Class Closure Meeting and (ii) the amount payable to the Manager in partial reimbursement of the Offer Costs which are attributable to the shares that were redeemed. This meant that the redemption price received by redeeming Euro Class shareholders was 97.12% of the 31 July 2014 NAV per share on redemption.

The Directors consider it unlikely that the Management Agreement would be terminated, therefore no provision for a contingent liability for share issue expenses has been made at 31 December 2014.

Foreign exchange

For the purposes of an aggregated Audited Statement of Assets and Liabilities, investment securities and other assets and liabilities denominated in foreign currencies are translated into US Dollars using exchange rates at the reporting date. Share capital denominated in foreign currencies is translated into US Dollars using exchange rates on the date of issue. The resulting presentational foreign exchange gains or losses are included in the Audited Statement of Operations.

Transactions denominated in foreign currencies are translated into US Dollars using exchange rates at the date of such transactions.

All currency gains and losses are included in the Audited Statement of Operations.

Cash and Bank Balances

Cash and bank balances comprise cash on hand and demand deposits.

3. Significant accounting policies (continued)

Treasury shares

Where the Company purchases its own share capital, the consideration paid, which includes any directly attributable costs, is recognised as a deduction from equity shareholders' funds through the Share capital account. When such shares are subsequently sold or reissued to the market, any consideration received, net of any directly attributable incremental transaction costs, is recognised as an increase in equity shareholders' funds through the Share capital account. Where the Company cancels treasury shares, no further adjustment is required to the share capital account of the Company at the time of cancellation. Shares held in Treasury are excluded from calculations when determining NAV per share as detailed in note 7 or in the Financial Highlights in note 10.

Allocation of results of BHGO and BHMS

Net realised and unrealised gains/losses of BHGO and BHMS are allocated to the Company's share classes based upon the percentage ownership of the equivalent BHGO and BHMS class.

Loan notes payable

Loans are classified in the Statement of Assets and Liabilities as Loan notes payable and are accounted for at amortised cost using the effective interest method.

Under a Note Purchase Agreement (note 9), the Company is obliged to pay back the total outstanding amount and any relevant fees and expenses, reimbursements and indemnities by the stated maturity date, unless the Note is previously terminated. Interest shall accrue daily on each Note at the applicable rate. The Company's obligations under the Agreement are secured by charges over a portion of its shares in BHMS. The purpose of the Note Purchase Agreement is to permit the Company to draw funds to finance the acquisition of the Company's own shares and for other working capital purposes.

4. Management, Performance, and Administration agreements

Management and Performance fees

The Company has entered into a management agreement with the Manager to manage the Company's investment portfolio. Prior to 1 September 2014, the Manager received a management fee of 1/12 of 0.50% (or a pro rata proportion thereof) per month of the NAV of each share class (before deduction of that month's management fee) as at the last business day in each month, payable monthly in arrears.

As a result of the change in investment policy, the Company's Management Agreement was amended to provide for the management fee and performance fee to be paid to the Manager as follows. Effective 1 September 2014, the Manager receives a management fee of 1/12 of 2% (or a pro rata proportion thereof) per month of the NAV of each share class (before deduction of that month's management fee and before making any deduction for any accrued performance fee) calculated as at the last business day in each month and payable monthly in arrears.

BHGO itself was not subject to management fees, however BHGO's investments were subject to management fees and operational services fees ranging in aggregate from 1% to 2.5% per annum; in addition to performance fees in certain of the underlying investments.

There are no fees charged by the Manager at the level of BHMS or any of its underlying funds.

During the year ended 31 December 2014, US$7,808,551 (31 December 2013: US$4,890,389) was charged by the Manager as management fees to the Company. At 31 December 2014, US$1,145,005 (31 December 2013: US$448,118) of the fee remained outstanding.

Effective 1 September 2014, the Manager is also entitled to a semi annual performance fee for each share class, accrued in arrears on a monthly basis. The performance fee is equal to 20% of the appreciation in the NAV per share (adjusted for any increases or decreases in NAV arising from issues (including the sale or re issue of Shares held in treasury), repurchases or redemptions of Shares and calculated before deduction of the performance fee in respect of the relevant period) which is above the base NAV per share of that class. The base NAV per share is the greater of the NAV per share of the relevant class at 1 September 2014 and the highest NAV per share achieved as at the end of any previous calculation period. However, for the purposes of calculating the performance fee payable to the Manager following reinvestment of the Company into BHMS, the base NAV per share of the Company's Sterling and US Dollar shares as at 1 September 2014 were set at £13.69 and $13.56 respectively to take into account the extent to which any of the Company's underlying investments were performing below existing high water marks immediately prior to their contribution to BHMS.

Any accrued performance fee in respect of Shares which are repurchased, redeemed or cancelled prior to the date on which the performance fee would otherwise have become payable in respect of those Shares will crystallise and become payable on the date of such repurchase, redemption or cancellation. The performance fee is accrued on an on-going basis and is reflected in the Company's published NAV.

On the business day preceding the last business day of each period in respect of which a performance fee is payable, the Company shall pay an estimated performance fee to the Manager in respect of that period. The estimated fee shall be the performance fee payable to the Manager in respect of that period as estimated by the Company's administrator on the basis of the estimated NAV of each class of Shares as at the close of business on the tenth business day in June and December in each year. The difference between the estimated fee paid in respect of any period and the actual performance fee payable in respect of that period shall be paid to the Manager within 15 business days of the end of the period, provided that if the difference is a negative amount then it shall be repaid by the Manager to the Company at such time.

During the year ended 31 December 2014, no performance fees were payable.

Notes to the Audited Financial Statements continued

For the year ended 31 December 2014

4. Management, Performance, and Administration agreements (continued)

The Management Agreement can be terminated by either the Company or the Manager on the giving of 12 months' written notice to the other party, or alternatively the Company may terminate the Management Agreement on 90 days' notice by payment to the Manager of an amount equal to the aggregate of the Management Fee during such twelve month period. The Company would be required to reimburse the Offer Costs if termination were to occur before 29 May 2015. The Company may terminate the management agreement forthwith by notice in the event of specified acts of default by the Manager without payment of compensation.

The Company is also entitled to terminate the management agreement without payment of compensation if a resolution is passed to wind up the Company in accordance with its discount control mechanism or if the net asset value of BHMS is more than 25 per cent lower than the average net asset value of BHMS over the previous twelve month period, although the Company would be required to reimburse the Offer Costs if termination in those circumstances were to occur before 29 May 2015.

Prior to 1 September 2014, the management agreement could be terminated by either party on not less than 24 months' notice without payment of compensation, although the Company would have been required to reimburse the Offer Costs if termination were to have occurred before 29 May 2015. The Company could have terminated the management agreement forthwith by notice in the event of specified acts of default by the Manager without payment of compensation.

The Company was also entitled to terminate the management agreement without payment of compensation if a resolution was passed to wind up the Company in accordance with its discount control mechanism or if the net asset value of BHGO was more than 25 per cent lower than the average net asset value of BHGO over the previous twelve month period, although the Company would have been required to reimburse the Offer Costs if termination in those circumstances were to have occurred before 29 May 2015.

In addition, the Company could have terminated the management agreement on less than 24 months' notice without cause, but the Company would have had to pay compensation to the Manager equivalent to the aggregate management fees that would otherwise directly or indirectly have been paid by the Company during the 24 months following notice of termination. The Company would also have been required to reimburse the Offer Costs if termination in those circumstances were to have occurred before 29 May 2015.

Administration fee

The Company has appointed Northern Trust International Fund Administration Services (Guernsey) Limited as Administrator and Corporate Secretary. The Administrator is paid fees based on the NAV of the Company, payable monthly in arrears. The fee is at a rate of 0.03% of the first US$1 billion of net assets of the Company and then 0.01% per annum thereafter, subject to a minimum fee of £115,000 per annum. In addition to the NAV based fee the Administrator is also entitled to an annual fee of £36,000 for certain additional administration services. The Administrator is entitled to be reimbursed out-of-pocket expenses incurred in the course of carrying out its duties as Administrator.

During the year ended 31 December 2014, US$314,716 (31 December 2013: US$349,008) was earned by the Administrator as administration fees. At 31 December 2014, US$43,159 (31 December 2013: $60,342) of the fee remained outstanding.

5. Share capital

Issued and authorised share capital

On 28 August 2014 the Company's Articles were amended to authorise the company to issue an unlimited number of ordinary shares with no par value which may be divided into at least two classes denominated in US Dollars and Sterling. Prior to the amendment, the Company also had the authority to issue Euro shares. The treasury shares have arisen as a result of the discount management programme as described in note 8.

5. Share capital (continued)

	US Dollar shares	Euro shares	Sterling shares
Number of ordinary shares			
In issue at 1 January 2014	**11,447,780**	**8,987,596**	**31,727,417**
Share conversions	(2,926,987)	3,468,418	(1,149,243)
Purchase of own shares into Treasury	(1,526,700)	–	(3,265,141)
Redemption of Euro class	–	(12,456,014)	–
In issue at 31 December 2014	**6,994,093**	**–**	**27,313,033**
Number of treasury shares			
In issue at 1 January 2014	**1,209,106**	**197,180**	**2,770,178**
Shares purchased and held in Treasury during the year:			
– On market purchases	1,526,700	–	3,265,141
Shares cancelled	(2,165,000)	(197,180)	(3,500,000)
In issue at 31 December 2014	**570,806**	**–**	**2,535,319**
Percentage of class	**7.55%**	**0.00%**	**8.49%**

	US$'000	€'000	£'000	Company Total US$'000
Share capital account				
At 1 January 2014	**76,833**	**98,647**	**314,987**	**832,528**
Share conversions	(38,190)	45,909	(15,527)	–
Purchase of own shares into Treasury	(18,021)	–	(39,219)	(83,550)
Repayment of offer costs	(47)	(4,574)	(243)	(6,478)
Redemption of Euro Class	–	(139,982)	–	(183,131)
Foreign exchange loss on Euro Class closure	–	–	–	(30,553)
At 31 December 2014	**20,575**	**–**	**259,998**	**528,816**

	US Dollar shares	Euro shares	Sterling shares
Number of ordinary shares			
In issue at 1 January 2013	**13,171,761**	**2,298,992**	**39,018,709**
Share conversions	(1,122,576)	6,803,758	(4,961,516)
Partial Capital Return	(559,337)	(95,854)	(1,699,545)
Purchase of own shares into treasury	(42,068)	(19,300)	(630,231)
In issue at 31 December 2013	**11,447,780**	**8,987,596**	**31,727,417**
Number of treasury shares			
In issue at 1 January 2013	**1,267,038**	**240,748**	**3,139,947**
Shares purchased and held in treasury during the year:			
– On market purchases	42,068	19,300	630,231
Shares cancelled	(100,000)	(62,868)	(1,000,000)
In issue at 31 December 2013	**1,209,106**	**197,180**	**2,770,178**
Percentage of class	**9.55%**	**2.15%**	**8.03%**

	US$'000	€'000	£'000	Company Total US$'000
Share capital account				
At 1 January 2013	**98,892**	**11,490**	**409,363**	**885,659**
Share conversions	(14,579)	88,593	(65,247)	–
Partial Capital Return	(6,992)	(1,209)	(21,497)	(40,651)
Purchase of own shares into Treasury	(488)	(227)	(7,632)	(12,480)
At 31 December 2013	**76,833**	**98,647**	**314,987**	**832,528**

Notes to the Audited Financial Statements continued

For the year ended 31 December 2014

5. Share capital (continued)

Share classes

In respect of each class of shares a separate class account has been established in the books of the Company. An amount equal to the aggregate proceeds of issue of each share class has been credited to the relevant class account. Any increase or decrease in the NAVs of each of the share classes in either Master Fund as calculated by BHMS or BHGO are allocated to the relevant class account in the Company. Each class account is allocated those costs, pre-paid expenses, losses, dividends, profits, gains and income which the Directors determine in their sole discretion relate to a particular class.

Voting rights

Ordinary shares carry the right to vote at general meetings of the Company and to receive any dividends, attributable to the ordinary shares as a class, declared by the Company and, in a winding-up will be entitled to receive, by way of capital, any surplus assets of the Company attributable to the ordinary shares as a class in proportion to their holdings remaining after settlement of any outstanding liabilities of the Company.

As prescribed in the Company's Articles, the different classes of ordinary shares have different values attributable to their votes. The attributed values have been calculated on the basis of the Weighted Voting Calculation (as described in the Articles) which takes into account the prevailing exchange rates on the date of initial issue of ordinary shares. Currently, on a vote, a single US Dollar ordinary share has one vote and a single Sterling ordinary share has 1.97950 votes.

Treasury shares do not have any voting rights.

Repurchase of shares

The Directors have been granted authority to purchase in the market up to 1,083,761 US Dollar shares, and 4,378,666 Sterling shares respectively and they intend to seek annual renewal of this authority from shareholders which was last granted on 2 July 2014. The Directors may, at their discretion, utilise this share repurchase authority to address any imbalance between the supply of and demand for shares.

Under the Company's Articles, the Directors are required to convene a shareholders' meeting to consider the repurchase of a class of shares in certain circumstances. See note 8 for further details.

Further issue of shares

As approved by the shareholders at the Annual General Meeting held on 2 July 2014 (the "AGM"), the Directors have the power to issue further shares on a non pre-emptive basis for cash in respect of 722,990 US Dollar shares, and 2,921,058 Sterling shares respectively.

This power expires on the date falling fifteen months after the date of the AGM or the conclusion of the next Annual General Meeting of the Company, whichever is the earlier.

Distributions

BHMS and BHGO have not previously paid dividends to its investors. Therefore, the Directors of the Company do not expect to declare any dividends. This does not prevent the Directors of the Company from declaring a dividend at any time in the future if the Directors consider payment of a dividend to be appropriate in the circumstances. If the Directors declare a dividend, such dividend will be paid on a per class basis.

As announced on 15 January 2014, the Company intends to be operated in such a manner that its shares are not categorised as non-mainstream pooled investments. This may mean that the Company pay dividends in respect of any income that it receives or is deemed to receive for UK tax purposes so that it would qualify as an investment trust if it were UK tax-resident.

Further, the Company will first apply any such income in payment of its management and performance fees.

Treasury shares are not entitled to distributions.

Annual redemption offer

Each calendar year the Directors may, in their absolute discretion, determine that the Company should make an offer to redeem such number of shares of the Company in issue as they may determine provided that the maximum amount distributed does not exceed 100% of the increase in the NAV of the Company in the prior calendar year.

The Directors shall, in their absolute discretion, determine the particular class or classes of shares in respect of which an Annual Redemption Offer will be made, the timetable for that Annual Redemption Offer and the price at which the shares of each relevant class will be redeemed.

Whether a return of capital is made in any particular year and, if so, the amount of the return, may depend, among other things, on prevailing market conditions, the ability of the Company to liquidate its investments to fund the capital return, the success of prior capital returns and applicable legal, regulatory and tax considerations.

Share conversion scheme

The Company has implemented a Share Conversion Scheme. The scheme provides shareholders with the ability to convert some or all of their ordinary shares in the Company of one class into ordinary shares of another class. From 31 October 2008 shareholders at the discretion of the Board have been able to convert ordinary shares on the last business day of every month. Each conversion will be based on NAV (note 7) of the share classes to be converted.

5. Share capital (continued)

The Company announced on 13 December 2013, that in light of the Class Closure Resolution process, the Share Conversion Scheme would be suspended following the December 2013 conversion date. After the completion of the Class Closure Resolution process, the Share Conversion Scheme was reinstated for the March 2014 conversion date for the US Dollar and Sterling Shares.

6. Taxation

Overview

The Company is exempt from taxation in Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989. Accordingly, no provision for Guernsey income taxes is included in these Financial Statements.

Uncertain tax positions

The Company recognises the tax benefits of uncertain tax positions only where the position is more-likely-than-not (i.e. greater than 50-percent) to be sustained assuming examination by a tax authority based on the technical merits of the position. In evaluating whether a tax position has met the recognition threshold, the Company must presume that the position will be examined by the appropriate taxing authority that has full knowledge of all relevant information. A tax position that meets the more-likely-than-not recognition threshold is measured to determine the amount of benefit to recognise in the Company's Financial Statements. Income tax and related interest and penalties would be recognised by the Company as tax expense in the Statement of Operations if the tax positions were deemed to not meet the more-likely-than-not threshold.

The Company analyses all open tax years for all major tax jurisdictions. Open tax years are those that are open for examination by taxing authorities, as defined by the Statute of Limitations in each jurisdiction.

The Company identifies its major tax jurisdictions as the Cayman Islands and foreign jurisdictions where the Company makes significant investments. The Company has no examinations by tax authorities in progress.

The Board has analysed the Company's tax positions, and has concluded that no liability for unrecognised tax benefits should be recorded related to uncertain tax positions. Further, the Board is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognised tax benefits will significantly change in the next twelve months.

7. Publication and calculation of net asset value

The NAV of the Company is equal to the value of its total assets less its total liabilities. The NAV per share of each class will be calculated by dividing the NAV of the relevant share class by the number of shares of the relevant class in issue on that day.

The Company publishes the NAV per share for each class of shares as calculated by the Administrator based in part on information provided by BHMS and BHGO, monthly in arrears, as at each month end.

The Company also publishes an estimate of the NAV per share for each class of shares as calculated by the Administrator based in part on information provided by BHMS and BHGO, weekly in arrears.

8. Discount management programme

The Company's discount management programme includes the ability to make market purchases of shares and the obligation to propose class closure resolutions if, in any fixed discount management period (1 January to 31 December each year), the average daily closing market price of the relevant class of shares during such period is 10% or more below the average NAV per share of the relevant class taken over the 12 monthly NAV Determination Dates (generally the last business day of each month) in that fixed discount management period, as described more fully in the Company's principal documents, which are available from the Administrator on request.

During the year to 31 December 2014 the Company recorded an average discount to NAV of 9.52% and 9.70% for US Dollar shares and Sterling shares respectively (year to 31 December 2013: 10.34%, 10.25% and 10.17% for US dollar shares, Sterling shares and Euro shares respectively).

Due to the discount in 2013, the Company convened a meeting of the shareholders of each class to vote on the Class Closure Resolutions. The shareholders of the Sterling class voted against the Class Closure Resolution and the shareholders of the Euro class voted in favour of the Class Closure Resolution. The meeting of the US Dollar class was not quorate and reconvened on 6 March 2014 at which time the Class Closure Resolution was not passed.

Following the Class Closure Resolution vote, the Company under the Articles of Incorporation was required to make the following Class Closure Options available to the shareholders of the Euro class:

a) to redeem all or some of their shares at NAV per share less the costs and expenses of the Class Closure vote and other outstanding costs and expenses of the Company, attributable to the relevant class (including any redemption fees and repayment of Offer Costs as described in note 3 to the Financial Statements);

b) subject to certain limitations, to convert all or some of their shares into shares of another class; or

c) subject to the class continuing and remaining viable, to remain in the class.

A notice of election for these Class Closure Options was sent to shareholders of the Euro class on 12 March 2014 requiring a response by 25 April 2014.

Notes to the Audited Financial Statements continued

For the year ended 31 December 2014

8. Discount management programme (continued)

Further to the decision to close the Company's Euro share class and the additional notice sent to holders of Euro shares on 13 May 2014, a total of 12,456,014 Euro shares were elected to be redeemed; 249,178 Euro shares were elected to be converted into Sterling shares and 57,867 Euro shares were elected to be converted into US dollar shares.

The remaining 388,017 Euro shares in respect of which an election was not received were converted into Sterling shares.

The Euro shares elected for redemption were redeemed following the announcement of the Euro redemption price as at 31 July 2014 on 22 August 2014, with payment of the redemption proceeds on 2 September 2014.

Euro shares that were elected to be converted into shares of another class on or before 25 April 2014 were converted with effect from 27 May 2014.

Euro shares that were elected to be converted into shares of another class after 25 April 2014 or in respect of which no election was received were converted with effect from 30 June 2014.

The Annual Redemption Offer described in note 5 which permits a partial return of capital is also part of the discount management programme.

The discount management measures will be funded by partial redemptions of the Company's investment in BHMS.

9. Note Purchase Agreement

The Company is party to a Note Purchase Agreement with JP Morgan Chase Bank dated 17 August 2012, amended and restated on 1 September 2014, pursuant to which the Company may obtain financing of up to US$11 million and £39 million, if required inter alia, to finance share buybacks pending receipt of the proceeds of redemption from its underlying investments. As at 31 December 2014, an amount of US$6,668,149 (31 December 2013:US$nil) was used under the Note Purchase Agreement, with US$4,812 (31 December 2013: US$27,805) of loan interest payable at the year end.

10. Financial Highlights

The following tables include selected data for a single ordinary share of each of the ordinary share classes in issue at the period end and other performance information derived from the Financial Statements.

The per share amounts and ratios which are shown reflect the income and expenses of the Company for each class of ordinary share.

	31.12.14 US Dollar shares US$	31.12.14^ Euro shares €	31.12.14 Sterling shares £
Per share operating performance			
Net asset value at beginning of the year	**13.12**	**13.19**	**13.34**
Income from investment operations			
Net investment loss*	(0.16)	(0.07)	(0.15)
Net realised and unrealised gain on investment	0.17	(0.11)	0.29
Other capital items**	0.31	(0.35)	0.14
Total return	**0.32**	**(0.53)**	**0.28**
Redemption of Euro Share Class	**–**	**12.66**	**–**
Net asset value, end of the year/period	**13.44**	**–**	**13.62**
Total return^	**2.49%**	**(4.02%)**	**2.09%**

^Returns of the Euro Share Class have been calculated up to the date of the final redemption.

Total return reflects the net return for an investment made at the beginning of the year and is calculated as the change in the NAV per ordinary share during the year ended 31 December 2014.

10. Financial Highlights (continued)

	31.12.14 US Dollar shares US$'000	31.12.14^^ Euro shares €'000	31.12.14 Sterling shares £'000
Supplemental data			
Net asset value, end of the year	**94,033**	**–**	**372,016**
Average net asset value for the year	**95,752**	**168,194**	**381,539**

^^ The average Euro Share Class net asset value for the period is calculated based on published NAVs from the start of the period up to 31 July 2014.

	31.12.14 US Dollar shares	31.12.14^^^ Euro shares	31.12.14 Sterling shares
Ratio to average net assets			
Operating expense			
Company expenses***	1.45%	0.70%	1.39%
Master Fund expenses****	0.05%	0.03%	0.05%
	1.50%	**0.73%**	**1.44%**
Net investment loss*	**(1.17%)**	**(0.49%)**	**(1.06%)**

^^^Ratios of the Euro Share Class have been annualised.

	31.12.13 US Dollar shares US$	31.12.13 Euro shares €	31.12.13 Sterling shares £
Per share operating performance			
Net asset value at beginning of the year	**12.89**	**13.00**	**13.04**
Income from investment operations			
Net investment loss*	(0.11)	(0.04)	(0.11)
Net realised and unrealised gain on investment	0.33	0.21	0.39
Other capital items**	0.01	0.02	0.02
Total return	**0.23**	**0.19**	**0.30**
Net asset value, end of the year	**13.12**	**13.19**	**13.34**
Total return	**1.79%**	**1.47%**	**2.32%**

Total return reflects the net return for an investment made at the beginning of the year and is calculated as the change in the NAV per ordinary share during the year ended 31 December 2013.

	31.12.13 US Dollar shares US$'000	31.12.13 Euro shares €'000	31.12.13 Sterling shares £'000
Supplemental data			
Net asset value, end of the year	**150,179**	**118,551**	**423,293**
Average net asset value for the year	**161,562**	**37,703**	**490,085**

Notes to the Audited Financial Statements continued

For the year ended 31 December 2014

10. Financial Highlights (continued)

	31.12.13 US Dollar shares	31.12.13 Euro shares	31.12.13 Sterling shares
Ratio to average net assets			
Operating expense			
Company expenses***	0.75%	0.82%	0.72%
Master Fund expenses****	0.02%	0.02%	0.02%
	0.77%	**0.84%**	**0.74%**
Net investment loss*	**(0.80%)**	**(0.86%)**	**(0.73%)**

* The net investment loss figure shown above does not include net realised and unrealised gains and losses on investments allocated from BHGO and BHMS.

** Included in other capital items are the discounts and premiums on conversions between share classes during the year, share buybacks and partial capital returns, as compared to the NAV per share at the beginning of the year.

*** Company expenses are as disclosed in the Audited Statement of Operations, excluding foreign exchange losses on aggregation.

**** Master Fund expenses are the operating expenses of BHGO and BHMS.

11. Related Party Transactions

On 1 September 2014, BHGO transferred underlying portfolio funds of $75,305,070 and £355,935,974 to BHMS in exchange for shares in that company. In addition, on 1 September 2014, the Company redeemed, in specie, $77,334,645 of the US Dollar shares and £354,713,853 of the Sterling shares it held in BHGO and in return received Ordinary Shares of BHMS (a company managed by the Manager).

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over that party in making financial or operational decisions.

Management and performance fees are disclosed in note 4.

Directors' fees are disclosed in the Directors' Remuneration Report on page 19.

Directors' interests are disclosed in the Corporate Governance Statement on page 12.

12. Subsequent Events

Management has evaluated subsequent events up to 23 March 2015, which is the date that the Financial Statements were available to be issued.

Subsequent to the year end and up to the date of this report, the Company purchased the following shares of the Company to be held as treasury shares:

Treasury shares	Number of shares purchased	Cost (US$)	Cost (in currency)
US Dollar shares	10,000	122,500	$122,500
Sterling shares	405,554	7,933,493	£5,171,114

Following the purchase and cancellation of shares, the Company has 7,018,681 US Dollar, and 26,885,213 Sterling ordinary shares in issue.

No further subsequent events have occurred.

Historic Performance Summary

As at 31 December 2014

	31.12.14 US$'000	31.12.13 US$'000	31.12.12 US$'000	31.12.10 US$'000	31.12.09 US$'000
Net (decrease)/increase in net assets resulting from operations	**(42,762)**	**35,409**	**81,252**	**39,147**	**(13,348)**
Total assets	**682,694**	**1,014,286**	**1,038,961**	**1,000,993**	**979,050**
Total liabilities	**(9,787)**	**(812)**	**(7,766)**	**(628)**	**(885)**
Net assets	**672,907**	**1,013,474**	**1,031,195**	**1,000,365**	**978,165**
Number of shares in issue					
US Dollar shares	6,994,093	11,447,780	13,171,761	15,185,614	21,859,989
Euro shares	–	8,987,596	2,298,992	2,919,762	3,333,754
Sterling shares	27,313,033	31,727,417	39,018,709	39,910,912	36,417,607
Net asset value per share					
US Dollar shares	US$13.44	US$13.12	US$12.89	US$12.34	US$11.79
Euro shares	–	€13.19	€13.00	€12.46	€11.86
Sterling shares	£13.62	£13.34	£13.04	£12.47	£11.92

Affirmation of the Commodity Pool Operator

31 December 2014

To the best of my knowledge and belief, the information detailed in this Annual Report and these Audited Financial Statements is accurate and complete:

By:

Name: David Barton
Title: Head of Legal and Authorised Signatory

Brevan Howard Capital Management Limited as general partner of Brevan Howard Capital Management LP, the manager and commodity pool operator of BH Global Limited

23 March 2015

Glossary of Acronyms

Detailed below are the underlying funds and their acronyms used within this report:

BHGO	Brevan Howard Global Opportunities Master Fund Limited
BHMS	Brevan Howard Multi-Strategy Master Fund Limited
BHMF	Brevan Howard Master Fund Limited
BHA	Brevan Howard Asia Master Fund Limited
BHCC	DW Catalyst Master Fund, Ltd. *(formerly Brevan Howard Credit Catalysts Master Fund Limited)*
BHCS	Brevan Howard Commodities Strategies Master Fund Limited
BHST	Brevan Howard Systematic Trading Master Fund Limited
BHCV	DW Value Master Fund, Ltd. *(formerly Brevan Howard Credit Value Master Fund Limited)*

Notes

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Management and Administration

Directors
Sir Michael Bunbury* (Chairman)
(appointed 1 January 2013)

John Hallam* (Senior Independent Director)
(appointed 28 February 2008)

Graham Harrison*
(appointed 17 March 2010)

Talmai Morgan
(appointed 25 February 2008)

Nicholas Moss*
(appointed 28 February 2008)

Stephen Stonberg
(resigned 31 March 2014)

(All Directors are non-executive)

* These Directors are independent for the purpose of LR15.2.12-A.

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Administrator and Corporate Secretary
Northern Trust International Fund
Administration Services (Guernsey) Limited
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Glategny Court
Glategny Esplanade
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Registrar and CREST Service Provider
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