ADVANCED INVESTMENT HOLDINGS LIMITED

Annual Report and Financial Statements

For the year ended 30 September 2019

ADVANCED INVESTMENT HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
CONTENTS

ADVANCED INVESTMENT HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
GENERAL INFORMATION

DIRECTORS:	C Hickling J Lewis D Stephenson
REGISTERED OFFICE:	Sarnia House Le Truchot St Peter Port Guernsey GY1 1GR
ADMINISTRATOR, SECRETARY AND REGISTRAR:	Praxis Fund Services Limited Sarnia House Le Truchot St Peter Port Guernsey GY1 1GR
INVESTMENT ADVISER:	Investec Corporate and Institutional Banking 36 Hans Strijdom Avenue Foreshore Cape Town 8001 South Africa
AUDITOR:	Saffery Champness GAT LLP PO Box 141 La Tonnelle House Les Banques St Sampson Guernsey GY1 3HS
BANKERS:	Investec Bank (Channel Islands) Limited PO Box 188 Glategny Court Glategny Esplanade St Peter Port Guernsey GY1 3LP
COMPANY REGISTRATION NO:	59932

The Directors present their annual report and the audited financial statements ("the financial statements") for the year ended 30 September 2019.

Principal Activity

The principal activity of the Company is investment holding.

The Company is a Guernsey Registered closed-ended investment scheme and, with effect from 6 October 2018, is subject to the Registered Collective Investment Scheme Rules 2018 (prior to 6 October 2018, Registered Collective Investment Scheme Rules 2015).

Going concern

At an Extraordinary General Meeting of the Company to be held during the course of 2020, shareholders will be asked to approve a special resolution to extend the life of the Company for a further period from the Company's current termination date of 9 December 2020, and to authorise the Directors to seek to raise additional capital through a secondary fund raising. Should shareholders not approve the resolution, or should insufficient capital be raised for the proposed new investment term, the Company will terminate on 9 December 2020 and its shares be redeemed. However, in the view of the Directors, the likelihood of the resolution being passed, and of sufficient capital being raised, and therefore the Company continuing in existence beyond 9 December 2020, is extremely strong. As a result, and as the Company has sufficient working capital and adequate resources to continue in operations and meet its liabilities as they fall due for the foreseeable future, these financial statements have been prepared on a going concern basis.

Results and Dividends

The Statement of Comprehensive Income is set out on page 9. The Directors do not propose a dividend for the period.

Directors

The Directors of the Company during the period and to the date of this report are detailed below.

C Hickling

J Lewis

D Stephenson

Directors' and Other Interests

Janine Lewis is a director of Praxis Fund Services Limited ('PFSL'), the Company's Administrator, Secretary, Custodian and Registrar, and David Stephenson is an employee of PFSL. Janine Lewis, Chris Hickling and David Stephenson are shareholders in PraxisIFM Group Limited, the ultimate parent company of PFSL.

During the year, no Director has had any beneficial interest in the shares of the Company.

No Director of the Company, or Investec Corporate and Institutional Banking ('ICIB'), the Investment Advisor to the Company, holds any right, either contingent or otherwise, to subscribe for shares in the Company.

Details of fees paid to PFSL and ICIB during the year are contained in notes 4 and 15 to these Financial Statements.

No fees were paid to the Directors by the Company during the year.

Historical Results

The results and assets and liabilities of the Company during the life of the Company are as follows:

	Total Assets	Total Liabilities	Total Comprehensive Income/(Loss)
	£	£	£
Year ended 30 September 2019	33,508,687	14,562	2,187,553
Year ended 30 September 2018	31,400,710	12,144	(1,195,049)
Year ended 30 September 2017	32,595,670	12,055	3,303,861
Year ended 30 September 2016	29,290,315	10,561	386,768
Period from 27 February 2015 to 30 September 2015	28,927,136	34,150	(2,118,876)

Investment Portfolio

The Company's investment portfolio comprises the following investments:

	Percentage of portfolio	Cost £	Market Value £
Investec Bank Limited Structured Deposit (including embedded derivative)	88.9%	23,214,558	29,283,041
BNP Paribas Index Option	11.1%	5,263,572	3,671,515
		28,478,130	32,954,556

Investec Bank Limited and BNP Paribas are providers of financial services.

Statement of Directors' Responsibilities

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company, for safeguarding the assets of the Company, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of a Directors' Report, which complies with the requirements of The Companies (Guernsey) Law, 2008.

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with The Companies (Guernsey) Law, 2008. The Directors have chosen to prepare financial statements for the Company in accordance with International Financial Reporting Standards (IFRSs).

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. A fair presentation also requires the Directors to:

- consistently select and apply appropriate accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.
- make an assessment of the Company's ability to continue as a going concern.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with The Companies (Guernsey) Law, 2008 and with The Protection of Investors (Bailiwick of Guernsey) Law, 1987. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all the steps he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.
- the financial statements give a true and fair view and have been prepared in accordance with International Financial Reporting Standards, with The Companies (Guernsey) Law, 2008 and with The Protection of Investors (Bailiwick of Guernsey) Law, 1987.

Auditor

A resolution to re-appoint Saffery Champness as auditor will be put to the members at the Annual General Meeting.

By Order of the Board

Janine Lewis
Director
23 December 2019

Independent auditor's report to the members

Opinion

We have audited the financial statements of Advanced Investment Holdings Limited (the "Company") for the year ended 30 September 2019, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRSs").

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 30 September 2019 and of the profit for the year then ended;
- have been properly prepared in accordance with IFRSs; and
- have been prepared in accordance with the requirements of The Companies (Guernsey) Law, 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 of the financial statements with regard to the Company's ability to continue as a going concern. The Company's life is due to terminate on 9 December 2020. However, in the view of the Directors, the likelihood of a resolution being passed that the Company's life be extended for a fruther period of at least 4 years, at an Extraordinary General Meeting, is considered to be extremely strong. If it is not resolved that the Company's life be extended, then the Company's shares will be redeemed and the Company will terminate on 9 December 2020. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments, if any, that would result if the Company was unable to continue as a going concern.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which The Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have failed to obtain all the information which, to the best of our knowledge and belief, is necessary for the purposes of our audit.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with section 262 of The Companies (Guernsey) Law, 2008. 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.

SAFFERY CHAMPNESS GAT LLP
Chartered Accountants
St Sampson
Guernsey
23 December 2019

ADVANCED INVESTMENT HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 September 2019

	Notes	**2019** £	2018 £
REVENUE			
Interest income	5	**1,501,487**	1,963,762
MOVEMENTS IN FAIR VALUE OF INVESTMENTS			
Investments at fair value through profit and loss	6	**1,131,773**	(2,619,234)
Derivatives at fair value through profit and loss	8	**11,696**	(81,646)
		2,644,956	(737,118)
Operating expenses	9	**(457,403)**	(457,931)
PROFIT/(LOSS) FOR THE YEAR, BEING TOTAL COMPREHENSIVE INCOME/(LOSS)		**2,187,553**	(1,195,049)
Earnings per share			
Basic and diluted earnings/(loss) per ordinary share	10	**GBP 70.48**	GBP (38.50)

The notes on pages 13 to 25 are an integral part of these financial statements.

ADVANCED INVESTMENT HOLDINGS LIMITED

STATEMENT OF FINANCIAL POSITION
As at 30 September 2019

	Notes	**2019** £	2018 £
NON-CURRENT ASSETS			
Investments at fair value through profit and loss	6	**3,671,515**	30,265,730
Investments at amortised cost	7	**29,143,003**	-
Derivatives at fair value through profit and loss	8	**140,038**	128,342
		32,954,556	30,394,072
CURRENT ASSETS			
Trade and other receivables	11	**303,481**	303,199
Cash and cash equivalents		**250,650**	703,439
		554,131	1,006,638
CURRENT LIABILITIES			
Trade and other payables	12	**(7,700)**	(7,500)
NET CURRENT ASSETS		**546,431**	999,138
NON-CURRENT LIABILITIES			
Trade and other payables	12	**(6,862)**	(4,644)
NET ASSETS		**33,494,125**	31,388,566
CAPITAL AND RESERVES			
Share capital	13	**320**	320
Share premium	14	**31,011,542**	31,011,542
Retained earnings		**2,482,263**	376,704
EQUITY SHAREHOLDERS' FUNDS		**33,494,125**	31,388,566
Number of fully paid Ordinary shares of £ 0.01 each		**31,040.00**	31,040.00
Net Asset Value per Ordinary Share		**GBP 1,079.06**	GBP 1,011.23

The financial statements were approved and authorised for issue by the Board on 23 December 2019 and signed on its behalf by:

Janine Lewis
Director

The notes on pages 13 to 25 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
For the year ended 30 September 2019

	Management Shareholders	Ordinary Shareholders			Total
	Share Capital	Share Capital	Share Premium	Retained Earnings	Total
Year ended 30 September 2018	£	£	£	£	£
At 30 September 2017	10	310	31,011,542	1,571,753	32,583,615
Net profit for the period, being total comprehensive income	-	-	-	(1,195,049)	(1,195,049)
At 30 September 2018	10	310	31,011,542	376,704	31,388,566
Year ended 30 September 2019					
Adjustment on adoption of IFRS 9 - reclassification of financial assets to amortised cost	**-**	**-**	**-**	**(81,994)**	**(81,994)**
Net profit for the year, being total comprehensive income	**-**	**-**	**-**	**2,187,553**	**2,187,553**
At 30 September 2019	**10**	**310**	**31,011,542**	**2,482,263**	**33,494,125**

The notes on pages 13 to 25 are an integral part of these financial statements.

ADVANCED INVESTMENT HOLDINGS LIMITED

STATEMENT OF CASH FLOWS
For the year ended 30 September 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Profit/(loss) for the year		**2,187,553**	(1,195,049)
Adjustments for:			
Interest income	5	**(1,501,487)**	(1,963,762)
Interest expense		**2,218**	1,291
(Gain)/loss on investments at fair value through profit and loss	6	**(1,131,773)**	2,619,234
(Gain)/loss on derivatives at fair value through profit and loss	8	**(11,696)**	81,646
Increase in trade and other receivables		**(1,119)**	(1,777)
Increase/(decrease) in trade and other payables		**200**	(1,202)
Net cash outflow from operating activities		**(456,104)**	(459,619)
Cash flows from investing activities			
Interest income		**3,315**	1,295
Net cash inflow from investing activities		**3,315**	1,295
Decrease in cash and cash equivalents for the year		**(452,789)**	(458,324)
Cash and cash equivalents at the beginning of the year		**703,439**	1,161,763
Cash and cash equivalents at the end of the year		**250,650**	703,439

The notes on pages 13 to 25 are an integral part of these financial statements.

1. PRINCIPAL ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Basis of preparation
The financial statements of Advanced Investment Holdings Limited, with domicile in Guernsey, have been prepared in accordance with International Financial Reporting Standards ('IFRS'). The financial statements comply with IFRS as issued by the International Accounting Standards Board ("IASB").

Going concern
At an Extraordinary General Meeting of the Company to be held during the course of 2020, shareholders will be asked to approve a special resolution to extend the life of the Company for a further period from the Company's current termination date of 9 December 2020, and to authorise the Directors to seek to raise additional capital through a secondary fund raising. Should shareholders not approve the resolution, or should insufficient capital be raised for the proposed new investment term, the Company will terminate on 9 December 2020 and its shares be redeemed. However, in the view of the Directors, the likelihood of the resolution being passed, and of sufficient capital being raised, and therefore the Company continuing in existence beyond 9 December 2020, is extremely strong. As a result, and as the Company has sufficient working capital and adequate resources to continue in operations and meet its liabilities as they fall due for the foreseeable future, these financial statements have been prepared on a going concern basis.

Adoption of new and revised Standards
During the year, the following relevant standards and interpretations, were adopted by the Company:

- IFRS 7 (amended), "Financial Instruments: Disclosures" (amendments effective for periods commencing on or after 1 January 2018, or on application of IFRS 9 if earlier);
- IFRS 9, "Financial Instruments - Classification and Measurement" (effective for periods commencing on or after 1 January 2018);
- IFRS 15, "Revenue from Contracts with Customers" (effective for periods commencing on or after 1 January 2018).

In addition, the IASB completed its Annual Improvements 2014-2016 Cycle project in December 2016 and its Annual Improvements 2015-2017 Cycle project in December 2017. These projects amended certain existing standards and interpretations effective for accounting periods commencing on or after 1 January 2018.

For details of the impact of the adoption of IFRS 9, please see the 'Changes in accounting policies' section below.

The adoption of IFRS 15 has not had a material effect on these Financial Statements as the Company has no income within the scope of IFRS 15

Other than noted above, the adoption of these standards and interpretations has not had a material effect on the financial statements of the Company.

New, revised and amended standards applicable for future reporting periods
At the date of authorisation of these financial statements, the following relevant standards and interpretations, which have not been applied in these financial statements, were in issue but not yet effective:

- IFRS 9 (amended), "Financial Instruments - Classification and Measurement" (amendments regarding prepayment features with negative compensation and modifications of financial liabilities, effective for periods commencing on or after 1 January 2019);

In addition, the IASB published ‘Definition of Material (Amendments to IAS 1 and IAS 8)’ in October 2018. This project has amended IAS 1 and IAS 8 to clarify the definition of ‘material’ and to align the definition used in the Conceptual Framework and the standards, effective for accounting periods commencing on or after 1 January 2020.

The Directors do not anticipate that the adoption of these standards in future periods will have a material impact on the financial statements of the Company.

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Changes in accounting policies

IFRS 9 "Financial Instruments"

IFRS 9 'Financial Instruments' addresses the classification, measurement and derecognition of financial assets and liabilities. It replaces the multiple classification and measurement models in IAS 39 and is effective for reporting periods beginning on or after 1 January 2018. As such the Company has adopted IFRS 9 for the first time in this financial year.

Key requirements of IFRS 9

Classification and measurement of financial assets will be driven by the entity's business model for managing the financial assets and the contractual cash flow characteristic of those financial assets.

There are three principal classification categories for financial assets that are debt instruments: (i) amortised cost, (ii) fair value through other comprehensive income and (iii) fair value through profit and loss. Under IFRS 9, equity or derivative investments are measured at fair value with gains and losses recognised in profit or loss unless an irrevocable election is made to recognise gains or losses in other comprehensive income.

IFRS 9 also introduces a new expected credit loss impairment model, as opposed to the incurred credit loss model implemented under IAS 39. This requires entities to account for expected credit losses at initial recognition and changes to expected credit losses at each reporting date to reflect changes in credit risk since initial recognition.

Finally, under IFRS 9 greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

Impact of IFRS 9 – Classification and measurement

Under the terms of IFRS 9, the Company has determined that it has two distinct business models, as follows:
(i) To invest in a structured deposit, a hybrid debt instrument comprising a holding of Investec Bank Limited bonds and put option, an accreting bank deposit on which the interest on the bonds will be placed, and an interest rate swap to fix the interest rate on the deposit. The purpose of the Company's investment in the structured deposit is to collect the contractual cashflows of solely payments of principal and interest arising on maturity, which will provide capital protection for investors in the Company. Accordingly, on adoption of IFRS 9, the Company has determined that the bond and deposit components of this investment should be reclassified from an investment at fair value through profit or loss to an investment at amortised cost with effect from the commencement of the current financial year. As a derivative, the interest rate swap is automatically measured at fair value through profit or loss.

(ii) To invest in an option linked to a basket of indices, in order to provide investors with a potential upside on their investment. Under the terms of IFRS 9, the option is automatically classified as an investment at fair value through profit or loss.

The adoption of IFRS 9 has not had a material impact on these Financial Statements, principally for the following reasons:

- with the exception of the Company's investment in the Investec Bank Limited Structured Deposit (the "Structured Deposit"), the classification and measurement methodology for all of the Company's assets and liabilities has remained the same under IFRS 9 as under IAS 39;
- whilst the classification of the Structured Deposit has changed from being measured at fair value to amortised cost, the measurement methodology of the asset has not materially changed;
- the Company's investment in the JP Morgan Index Basket Option (the "Option") and the derivative instrument which forms part of the Structured Deposit are measured at fair value and so the changes in IFRS 9 relating to the assessment of credit losses do not apply to these instruments;
- the Company does not apply hedge accounting, and is therefore unaffected by the hedge accounting-related changes introduced in IFRS 9.

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Changes in accounting policies (continued)

Impact of IFRS 9 – Classification and measurement (continued)

In accordance with IFRS 9, the Company is required to assess its investment at amortised cost for expected credit losses at the reporting date and has concluded that no credit losses are expected over the life of the investment.

In accordance with the transition provisions of IFRS 9, prior year comparative balances have not been adjusted.

Foreign exchange

Items included in the financial statements of the Company are measured in the currency of the primary economic environment in which the Company operates (the "functional currency"). The Directors have determined that the functional currency of the Company is Sterling, as it is the currency in which the majority of the Company's investments are denominated and capital has been raised. The Directors have selected Sterling as the presentational currency of the Company.

Foreign currency assets and liabilities are translated into Sterling at the rate of exchange ruling on the year end date. Foreign currency transactions are translated into Sterling at the rate of exchange ruling on the date of the transaction. Foreign exchange gains and losses are included in the Statement of Comprehensive Income in the period in which they arise.

Revenue recognition

Revenue includes interest and other income and is recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the revenue can be measured reliably. Interest and other revenues are accounted for on an accruals basis.

Expenses

Expenses are accounted for on an accruals basis. All expenses are charged to the Statement of Comprehensive Income, except for expenses incurred in relation to the launch of the Company, which have been charged against share premium.

Investments

The Company's Option investment is classified as an investment at fair value through profit or loss.

On adoption of IFRS 9, the Company's Structured Deposit investment has been reclassified from an investment at fair value through profit and loss to amortised cost.

All investments are measured initially at fair value net of transaction costs, except where the investment will subsequently be measured at fair value through profit or loss. Transaction costs relating to the acquisition of investments at fair value through profit or loss are expensed as incurred in the Statement of Comprehensive Income. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

After initial recognition, the Company's Option investment and the derivative which forms part of the Structured Deposit are measured at fair value through profit or loss. Fair value is calculated using quoted market prices, independent appraisals, discounted cash flow analysis or other appropriate valuation models at the reporting date. After initial recognition, the Company's Structured Deposit is measured at amortised cost using the effective interest rate method. Gains arising on the disposal of investments are recognised in the Statement of Comprehensive Income, as are unrealised gains on investments at fair value through profit and loss. All gains or losses are recognised in the period in which they arise.

Liquid resources

Liquid resources comprise cash and cash equivalents and fixed deposits. Cash and cash equivalents comprises bank balances and short term deposits with an original maturity of three months or less. Deposits with an original maturity of greater than three months are classified as fixed deposits.

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

Trade and other receivables
Trade receivables are stated at amortised cost less any impairment.

Financial liabilities
Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest method.

Taxation
The Company is exempt from Guernsey income tax under the Income Tax (Exempt Bodies) (Guernsey) Ordinance 1989 and is charged an annual exemption fee £1,200 (2018: £1,200).

2. SEGMENT REPORTING

The Board of Directors considers that the Company is engaged in a single segment of business, being the holding of investments. The Board considers that it is the Company's Chief Operating Decision Maker.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results could differ from such estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate was revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors have determined, on adoption of IFRS 9, that the Company's investment in the Investec Bank Limited Structured Deposit should be reclassified from an investment at fair value through profit or loss to an investment at amortised cost, in accordance with the requirements of that standard (see note 1), and that the Company's Option investment should be classified as an investment at fair value through profit or loss. The methodologies for establishing the fair value of the Company's investments is detailed in notes 6 and 7.

4. SIGNIFICANT AGREEMENTS

The following significant agreements have been entered into by the Company:

Administration, Custodian and Secretarial Agreement
Under the Administration, Custodian and Secretarial Agreement, the Company has agreed to pay or procure to be paid to the administrator, for its services as administrator, secretary, custodian and registrar, a fee of 0.15% (2018: 0.15%) per annum of the Company's funds (as reduced by any redemptions of Ordinary Shares prior to the Redemption Date, which attract a redemption fee of 0.5% of the value of the redemption). In addition the administrator is entitled to receive interest earned by the Company on the unpaid element of the fees. See notes 9, 11, 12 and 15 for details of administration fees and interest paid in the year and balances outstanding at the year end.

Investment Advisory Agreement
Under the Investment Advisory Agreement, the Company has agreed to pay or procure to be paid to the advisor, for its services as advisor, a fee of 0.6% (2018: 0.6%) per annum of the Company's funds (as reduced by any redemptions of Ordinary Shares prior to the Redemption Date, which attract a redemption fee of 0.5% of the value of the redemption). In addition the advisor is entitled to receive interest earned by the Company on the unpaid element of the fees. See notes 9, 11, 12 and 15 for details of investment advisory fees and interest paid in the year and balances outstanding at the year end.

4. SIGNIFICANT AGREEMENTS (continued)

Distribution Agreement
Under the Distribution Agreement, the Company has agreed to pay or procure to be paid to the Distributors a fee of 0.65% (2018: 0.65%) per annum of that portion of the Company's funds that is derived from the subscription amount subscribed for by Subscribers introduced by the Distributor (as reduced by any redemptions of such Ordinary Shares prior to the Redemption Date). Investec Corporate and Institutional Banking, the Company's Investment Advisor, is also one of a number of Distributors for the Company. See notes 9 and 11 for details of distribution fees paid in the year and balances outstanding at the year end.

All fees described above are payable annually in advance on the anniversary of the Trade Date (the date of investment of the Company's funds) each year until the Termination Date (the date of compulsory redemption of the Ordinary shares).

5. INTEREST INCOME

	2019	2018
	£	£
Interest on investments at fair value through profit and loss	**-**	1,961,734
Interest on investment at amortised cost	**1,499,009**	-
Bank interest	**2,478**	2,028
	1,501,487	1,963,762

The effective interest rate used for calculating the interest on the investment at amortised cost is 5.4225%.

6. INVESTMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS

	2019	2018
	£	£
BNP Paribas Index Option		
Fair value brought forward	**2,539,742**	4,636,083
Fair value adjustment for the year	**1,131,773**	(2,096,341)
Fair value carried forward	**3,671,515**	2,539,742

The BNP Paribas Index Option (the "Option") is a Call Option referenced to the Euro Stoxx 50 index.

The Directors determine the fair value of the Option based on valuations provided by BNP Paribas. These valuations are calculated using a formula specified in the Option contract, which is based on the movements in the closing price of the above index from the issue date of the Option to the reporting date.

The Option has been classified as a Level 2 investment in the fair value hierarchy.

	2019	2018
Investec Bank Limited Structured Deposit		
Fair value brought forward	**27,725,988**	26,287,147
Reclassification to investments at amortised cost	**(27,725,988)**	-
Interest for the year	**-**	1,961,734
Fair value adjustment for the year	**-**	(522,893)
Fair value carried forward	**-**	27,725,988
Total investments at fair value through profit or loss	**3,671,515**	30,265,730

On the adoption of IFRS 9 at the commencement of the financial year, the Company's investment in the Investec Bank Limited Structured Deposit was reclassified as an investment at amortised cost (see note 7).

7. INVESTMENTS AT AMORTISED COST

	2019	2018
	£	£
Investec Bank Limited Structured Deposit		
Reclassification from investments at fair value through profit or loss	**27,725,988**	-
Adjustment to carrying value on adoption of IFRS 9	**(81,994)**	
Interest for the year	**1,499,009**	-
Carrying value carried forward	**29,143,003**	-

The Investec Bank Limited Structured Deposit (the "Structured Deposit") is a hybrid instrument comprising the following components:

- A holding of Investec plc 9.625% bonds maturing in 2022 (the "Investec bonds"). The Investec bonds were purchased in the market, and, in order to guarantee investors' capital protection at the termination date of the Company, their sale proceeds are fixed by means of a Put Option Agreement entered into between the Company and Investec Bank Limited;
- An accreting bank deposit, which commences on the date of the first coupon payment from the Investec bonds, receives all subsequent coupon payments during the life of the Company, and earns interest on a quarterly compounding basis;
- An interest rate swap, which fixes the interest rate on the accreting deposit. Notwithstanding that the Company regards the interest rate swap as a fundamental part of the Structured Deposit, this instrument is classified separately in the Statement of Financial Position under the heading 'Derivatives at fair value through profit and loss', and movements in the fair value thereof are recognised separately in the Statement of Comprehensive Income. For further details please refer to note 8.

The Directors regard the Structured Deposit as a single financial instrument, which is measured at amortised cost, using the effective interest rate method, except for the embedded interest rate swap, which is measured at its mark-to-market value, based on valuations provided by the swap issuer, less a provision for unwind costs, estimated by the Investment Advisor.

On the adoption of IFRS 9 at the start of the year, the Structured Deposit was reclassified from an investment at fair value through profit or loss to an investment at amortised cost (see note 6). Had the Structured Deposit not been reclassified, the Company would have recognised interest of £2,017,152 and a fair value loss of £527,952 through profit or loss in the year; and the reported fair value of the Structured Deposit at 30 September 2019 would have been £29,215,188. An adjustment of £(81,994) was required to the brought forward value of the Structured Deposit as a result of its reclassification as an investment at amortised cost.

In the prior year, the fair value of the Structured Deposit was determined as follows:

- The capital element of the Investec bonds was measured on an amortising cost basis, apportioning the revaluation on a straight-line basis from the bonds' clean purchase cost to the clean closing value (as determined by the Put Option Agreement) over the life of the Company. Interest on the Investec bonds was calculated on an accruals basis;
- The value of the accreting deposit was determined as the balance of the deposit plus accrued interest;
- The interest rate swap was measured at its mark-to-market value, based on valuations provided by the swap issuer.

In the prior year, the Structured Deposit was classified as a level 2 investment in the fair value hierarchy, as the main constituents of the product, being interest on the Investec bonds and interest on the accreting deposit account, have observable inputs.

The Company has assessed the investment in the Structured Deposit for expected credit losses at the reporting date and has concluded that no credit losses are expected over the life of the investment.

8. DERIVATIVES AT FAIR VALUE THROUGH PROFIT AND LOSS

	2019	2018
	£	£
Fair value brought forward	**128,342**	209,988
Fair value adjustment for the year	**11,696**	(81,646)
Fair value carried forward	**140,038**	128,342

Derivatives at fair value through profit and loss comprises an interest rate swap utilised to fix the interest rate on the accreting deposit component of the Structured Deposit (see note 6). The interest rate swap is measured at its mark-to-market value, based on valuations provided by the swap issuer, less a provision for unwind costs, estimated by the Investment Advisor, and has been classified as Level 2 in the fair value hierarchy.

9. OPERATING EXPENSES

	2019	2018
	£	£
Distributors' fees	**201,586**	201,654
Investment advisory fees	**186,080**	186,240
Administration fees	**48,346**	49,179
Audit fee	**7,700**	7,500
Guernsey Financial Services Commission licence fees	**3,485**	3,480
Listing & sponsor fees	**4,655**	4,672
Legal & professional fees	**-**	321
Statutory fees	**1,700**	1,750
Professional indemnity insurance	**926**	1,133
Interest payable	**2,218**	1,291
Sundry expenses	**707**	711
	457,403	457,931

10. EARNINGS PER ORDINARY SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

	2019	2018
Earnings attributable to Ordinary shares:	£	£
Earnings for purpose of calculation of basic and diluted earnings per share being earnings for the year attributable to Ordinary shareholders	**2,187,553**	(1,195,049)
Number of shares:		
Weighted average number of Ordinary shares for the purpose of basic earnings per share	**31,040.00**	31,040.00
Earnings per share attributable to Ordinary shares	**GBP 70.48**	GBP (38.50)

A weighted average number of shares has been calculated to enable users to gain a fairer understanding of the earnings generated per share through the period. The weighted average has been calculated with reference to the number of days shares have actually been in issue in the period since the Company commenced activities, and hence their ability to influence income generated.

11. TRADE AND OTHER RECEIVABLES

	2019 £	2018 £
Bank interest receivable	**-**	837
Prepaid administration fees	**32,060**	32,331
Prepaid distributors' fees	**138,366**	138,192
Prepaid investment advisory fees	**127,722**	127,562
Other debtors and prepayments	**5,333**	4,277
	303,481	303,199

The balance of trade and other receivables principally comprises prepayments, therefore a provision for expected credit losses is not required.

12. TRADE AND OTHER PAYABLES

	2019 £	2018 £
Current		
Audit fee	**7,700**	7,500
	7,700	7,500
Non-current		
Interest payable	**6,862**	4,644

13. SHARE CAPITAL

	2019 £	2018 £
Authorised:		
10 Management shares of £1.00 each	**10**	10
999,000 Ordinary shares of £0.01 per share	**9,990**	9,990
	10,000	10,000

	2019 £	2018 £
Issued:		
10 unpaid Management shares of £1.00 each	**10**	10
31,040 fully paid Ordinary shares of £0.01 each	**310**	310
	320	320

31,040 Ordinary shares of £0.01 each were originally issued at a price of £1,000 per share. 10 Management shares of £1 were originally issued at a price of £1 per share.

Ordinary shares are entitled to 1 vote each at a general meeting of the Company. The Ordinary shares may be compulsorily redeemed on the redemption date, 16 December 2020. Ordinary shareholders are entitled to receive any dividends or distributions from the Company and any surplus arising on the winding up of the Company after the payment of creditors and redemption of the Management shares at their nominal value.

Management shares are entitled to 10,000 votes each at a general meeting of the Company. Management shares may only be owned by The Basket Trust (see note 15) or its nominee. Management shareholders are not entitled to receive any dividends or distributions from the Company nor any surplus arising on the winding up of the Company in excess of the nominal value of the Management shares.

14. SHARE PREMIUM

	2019	2018
	£	£
Balance brought forward	**31,011,542**	31,011,542
Balance carried forward	**31,011,542**	31,011,542

15. ULTIMATE CONTROLLING PARTY AND RELATED PARTY TRANSACTIONS

The immediate controlling party at the year end date is PraxisIFM Trust Limited as trustee of The Basket Trust, which owns the Management shares in the Company. There is no ultimate controlling party of the Company. The utimate controlling party of PraxisIFM Trust Limited is PraxisIFM Group Limited ('PGL'). PGL is also the ultimate controlling party of Praxis Fund Services Limited ('PFSL'), the administrator of the Company.

PFSL is deemed to be a related party, as Janine Lewis is a director of PFSL and a shareholder in PGL; Chris Hickling is a shareholder in PGL; and David Stephenson is an employee of PFSL and a shareholder in PGL. During the year PFSL received £48,346 (2018: £49,179) for their services as administrator. At the year end date administration fees of £32,060 had been paid to PFSL in advance (2018: £32,331). At the year end date interest on outstanding fees of £1,359 (2018: £917) was payable to PFSL.

The Investment Advisor, Investec Corporate and Institutional Banking, a division of Investec Bank Limited, the issuer of the Company's Structured Deposit, is deemed to be a related party. During the year Investec Corporate and Institutional Banking earned £186,080 (2018: £186,240) for their services as investment advisor. At the year end date advisory fees of £127,722 (2018: £127,562) had been paid to Investec Corporate and Institutional Banking in advance and interest on outstanding fees of £5,503 (2018: £3,727) was payable to Investec Corporate and Institutional Banking.

16. FINANCIAL INSTRUMENT RISK FACTORS

The Company is exposed to market risk, credit risk and liquidity risk from the financial instruments it holds. The Company has a fixed modus operandi, as stated in its prospectus, which is to invest its capital in a zero coupon bond (or other structured product with similar characteristics) and an option or options on a specified index or basket of indices; and to retain a certain element of cash to cover expenses to be incurred over the specified period of its life. As a result of this, the Company's flexibility in dealing with the risks associated with these instruments is somewhat limited. However, the risk management policies that are employed by the Company to manage these risks are discussed below.

(i) Market risk

(a) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Company's measurement currency.

The Company is exposed to currency risk because the BNP Paribas Index Option is denominated in US dollar, whilst the Company's measurement currency is Sterling. At 30 September 2019, the foreign currency exposure of the Company represented 10.9% (2018: 8.3%) of Equity Shareholder's Funds. The Company's policy is not to manage the Company's exposure to foreign exchange movements by entering into any foreign exchange hedging transactions. If the Sterling/US Dollar exchange rate at the year end date had been 10% higher/lower (2018: 20% higher/lower), this would have resulted in an increase/decrease in the year end net asset value of £367,152 (2018: £507,948). The reduced sensitivity rate of 10% is regarded as reasonable due to the decreased volatility of sterling against the US Dollar during the year.

The Company had no other material currency exposures as at 30 September 2019 or 30 September 2018.

16. FINANCIAL INSTRUMENT RISK FACTORS (continued)

(i) Market risk (continued)

(b) Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk as it invests cash and bank balances at short term interest rates. At 30 September 2019, the Company held cash on call and on a short-term notice account of £250,650 (2018: £703,439) which earns interest at floating rates.

Had this balance existed for the whole of the period, and all other factors remained the same, the effect on the Statement of Comprehensive Income of an increase/decrease in short term interest rates of 0.25% per annum would have been an increase of £427/increase of £823 in post-tax profit for the year (2018: increase of £1,771/decrease of £759). The sensitivity rate of 0.25% is regarded as reasonable in relation to the current sterling base rate of 0.75%, as interest rates on sterling bank accounts are not currently volatile.

The Company had no other material interest rate exposures as at either 30 September 2019 or 30 September 2018. The Company's Structured Deposit is interest-bearing, however it earns interest at a fixed rate and is therefore not subject to interest rate risk.

(c) Price risk
Price risk is the risk that the value of the instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. The Company’s investments at fair value through profit and loss are directly affected by changes in market prices. With effect from 1 October 2018, the Company's investment in the Structured Deposit is measured at amortised cost, and is therefore no longer subject to price risk.

Price risk is managed at inception by investing in a combination of two financial instruments: a holding of zero coupon bonds (or other structured product with similar characteristics) that will provide capital protection for investors; and a call option on an index or basket of indices that the investment advisor believes is most likely to provide positive performance during the life of the Company. In order to provide capital protection, the amount of bonds acquired is calculated to ensure that the maturing amount will be sufficient to guarantee that all investors who remain in the Company to maturity will at minimum get back the amount that they invested. The call option provides the potential for significant upside performance, should the relevant indices perform well, with the downside limited to loss of the initial option premium.

The investment premise of the Company involves participation in the potential upside afforded by the Option, whilst enjoying the capital protection afforded by the Structured Deposit. Therefore, whilst the Board monitors the performance of the Option and Structured Deposit, it is unlikely that the Board would consider redeeming these at any stage, other than in relation to the redemption of investors' shares. As a result, the management of price risk effectively occurs at the inception of the Company in the selection of investments, and is not an active ongoing process during the remainder of the life of the Company.

The investments at fair value through profit and loss expose the Company to price risk. The details are as follows:

	2019	2018
	£	£
Investec Bank Limited Structured Deposit	-	27,854,330
Interest rate swap (embedded in the Structured Deposit)	**140,038**	128,342
BNP Paribas Index Option	**3,671,515**	2,539,742
	3,811,553	30,522,414

16. FINANCIAL INSTRUMENT RISK FACTORS (continued)

(i) Market risk (continued)

(c) Price risk (continued)

A 50 per cent increase/decrease in the value of the Option at 30 September 2019 would have increased/decreased the Net Asset Value of the Company by £1,835,758 (2018: £1,269,871). The sensitivity rate of 50% is regarded as reasonable due to the potential volatility of European stock markets, to which the Option is linked, which is magnified by the participation rate of 200% attached to the Option.

At 30 September 2019 the Structured Deposit is no longer determined to be subject to price risk, as it is measured at amortised cost. At 30 September 2018, a 5% increase/decrease in the value of the Structured Deposit would have increased/decreased the Net Asset Value of the Company by £1,392,717. The sensitivity rate of 5% was regarded as reasonable, as the rate at which interest was earned on the instrument, which formed the main part of the annual uplift in value, was largely fixed, and the instrument was not significantly subject to the volatility of investment markets.

(ii) Credit risk

Credit risk arises when a failure by counter-parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the year end date. These financial assets include cash and cash equivalents, fixed deposits, debtors and investments at fair value through profit and loss. The Company's exposure to credit risk arises from default of the counterparty with a maximum exposure equal to the carrying value or fair value of these instruments.

The Company states in its Prospectus that it will invest in a Structured Deposit instrument (the 'SD') provided by Investec Bank Limited ('IBL') and an option linked to a specified index, and provides extensive disclosure to shareholders of those instruments and the risks attached thereto. As a result of this, the Company's policy for managing the credit risk attached to the Company's financial assets is to monitor the credit rating of the relevant counterparty for any significant deterioration, without reference to an absolute range of credit ratings. In the event of there being any significant deterioration in the perceived creditworthiness of the counterparty to a point where shareholders' interest may be at risk, the Directors in their absolute discretion would consider the following courses of action: selling the relevant securities to third party purchasers and reinvesting the proceeds in the purchase of securities of another issuer, such that the new securities would replicate as closely as possible the terms and conditions of the original securities; and transferring cash to another banking institution. At initial recognition of the SD and the option, the Directors considered the credit risk attached to these instruments to be low, and this remains their view. The Directors would only seek to sell the relevant securities or transfer cash if they consider on the advice of the investment advisor that such would be in the best interests of the Company and its shareholders.

In accordance with this policy, the Board and the investment advisor have noted that the Fitch long-term credit rating of IBL as at 30 September 2019 was BB+ (30 September 2018: BB+), and also notes Fitch's comment that IBL's rating is constrained by the sovereign rating of South Africa of BB+. The year end rating of Investec plc, a sister company to IBL, and the issuer of the Bond which underpins the Structured Deposit, is BBB+ (2018: BBB+). As a result, the Directors and the investment advisor believe that it is not in the best interest of shareholders to attempt to unwind the SD prior to its maturity date on 9 December 2020, as they believe firstly that there has been no significant deterioration in the creditworthiness of IBL, and secondly that obtaining an alternative investment with an institution with a higher credit rating, particularly so close to maturity, could only be achieved on less favourable terms than those offered by the SD, which could affect the Company's ability to offer capital protection to shareholders on their investment.

The Company monitors the creditworthiness of its counterparties on an ongoing basis.

The majority of the Company's trade and receivables consist of prepayments and there is no credit risk associated with these balances.

16. FINANCIAL INSTRUMENT RISK FACTORS (continued)

(ii) Credit risk (continued)
The Structured Deposit is held with Investec Bank Limited, which has a Fitch long-term rating of BB+ (2018: BB+). The Option is held with BNP Paribas, which has a Fitch long-term rating of A+ (2018: A+). The cash and cash equivalents are held with Investec Bank (Channel Islands) Limited, which has a Fitch long term rating of BBB+ (2018: BBB+).

(iii) Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet financial liability obligations as they fall due, which may cause financial losses to the Company. The Company places its cash and cash equivalents with financial institutions on a short-term basis in order to maintain a high level of liquidity. This ensures that the Company is able to complete transactions in a timely manner, thus minimising the Company's exposure to such losses.

The Board reviews the cash resources of the Company on an ongoing basis to ensure that sufficient monies are held on call account to meet the Company's short-term obligations. At 30 September 2019 the total balance of cash on call and on a short-term notice account was £250,650 (2018: £703,439) which is considered by the Board to be sufficient to meet all of the Company's short-term obligations.

The following table analyses the Company's financial liabilities, which will be settled on a net basis, into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

30 September 2019	**Less than 6 months £**	**6-12 months £**	**1 - 5 years £**
Trade and other payables	**7,700**	**-**	**6,862**
Net exposure	**7,700**	**-**	**6,862**

30 September 2018	Less than 6 months £	6-12 months £	1 - 5 years £
Trade and other payables	7,500	-	4,644
Net exposure	7,500	-	4,644

(iv) Fair value hierarchy
The following table analyses instruments carried at fair value, by level of the fair value hierarchy. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

16. FINANCIAL INSTRUMENT RISK FACTORS (continued)

(iv) Fair value hierarchy (continued)

30 September 2019	**Level 1**	**Level 2**	**Level 3**	**Total**
	£	**£**	**£**	**£**
Investments at fair value through profit and loss	**-**	**3,811,553**	**-**	**3,811,553**
	-	**3,811,553**	**-**	**3,811,553**

30 September 2018	Level 1	Level 2	Level 3	Total
	£	£	£	£
Investments at fair value through profit and loss	-	30,394,072	-	30,394,072
	-	30,394,072	-	30,394,072

There have been no transfers between levels of the fair value hierarchy during the year.

17. MANAGEMENT OF CAPITAL

The Company's capital comprises the funds it has raised through the issue of share capital.

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

In order to ensure that the Company will be able to continue as a going concern, the Board continuously monitors forecast and actual cash flows and matches the maturity profiles of assets and liabilities. The Company has no external borrowings.

Shareholders may be able to redeem their Ordinary Shares prior to the Redemption Date, however such redemptions are wholly at the discretion of the Directors and any request for redemption may be refused in whole or in part. No early redemptions will be permitted unless the Directors are satisfied that they have complied with all applicable law, including satisfaction of the solvency test as required by The Companies (Guernsey) Law, 2008.

18. POST BALANCE SHEET EVENTS

There were no significant post period events requiring disclosure in these financial statements.