

CAM Bastion Rand Fund Limited

Incorporated in Guernsey with registration number 65902

**Annual Report and Audited Financial Statements  
for the year ended 31 December 2023**

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**Directors and Service Providers**

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Company	CAM Bastion Rand Fund Limited PO Box 255 Trafalgar Court Les Banques St Peter Port Guernsey GY1 3QL
Directors	Frederick Esterhuizen John Renouf (Independent) Jacobus Josling Andrew Möller Petrus Swart Paul Le Page (Independent) Harold Strydom
Investment Adviser	Citadel Investment Services (Proprietary) Limited Kaaimans Building Lynnwood Bridge Office Park 14 Hilden Road Lynnwood Manor Pretoria 0081 South Africa
Promoter and Investment Manager	Peregrine Guernsey Limited PO Box 255 Trafalgar Court Les Banques St. Peter Port Guernsey GY1 3QL
Custodian/ Trustee	Northern Trust (Guernsey) Limited PO Box 71 Trafalgar Court Les Banques St. Peter Port Guernsey GY1 3DA
Administrator, Secretary, Registrar and Nominated Firm	Northern Trust International Fund Administration Services (Guernsey) Limited PO Box 255 Trafalgar Court Les Banques St. Peter Port Guernsey GY1 3QL
Independent Auditor	KPMG Channel Islands Limited Gategny Court Gategny Esplanade St Peter Port Guernsey GY1 1WR

**Directors and Service Providers (continued)**

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Guernsey Legal Advisers	Carey Olsen (Guernsey) LLP PO Box 98, Carey House Les Banques St Peter Port Guernsey GY1 4BZ
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## Directors' Report

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The Directors have the pleasure to present the audited financial statements of CAM Bastion Rand Fund Limited (the "Company" or the "Rand Fund") for the year ended 31 December 2023.

The Company was incorporated in Bermuda on 8 June 2004 and the Company was re-domiciled in Guernsey on 31 December 2018 under the Companies (Guernsey) Law, 2008. The Company is authorised by the Guernsey Financial Services Commission under the Authorised Collective Investment Schemes (Class B) Rules and Guidance 2021 and under the Protection of Investors (Bailiwick of Guernsey) Law, 2020 as an open ended Class B Scheme. The Company acts as an investment company.

The Company's investment objective is to achieve long term capital growth by investing in the Participating Shares of CAM Bastion Fund Limited (the "Master Fund"). The report and audited financial statements of the Master Fund year ended 31 December 2023 form an integral part of these financial statements and should therefore be read in conjunction with these financial statements.

The investment activities of the Company are managed by Peregrine Guernsey Limited (the "Investment Manager"). The administration of the Company is delegated to Northern Trust International Fund Administration Services (Guernsey) Limited (the "Administrator").

On 30 September 2023, the Company issued updated Scheme Particulars. The main updates are:

- statement that the Manager is an associate member of the Association for Savings and Investments South Africa has been removed; and
- Peregrine Holdings Limited name updated to Peregrine Holdings (Pty) Ltd.

At 31 December 2023 and 31 December 2022, the Net Asset Value ("NAV") per Participating Share for each class of share was as follows:

Share Class	NAV per Participating Share	
	31/12/2023	31/12/2022
CAM Bastion Rand Fund Limited	ZAR3,746.95	ZAR3,437.27

Shares of the Rand Fund Limited are denominated in South African rand. The Rand Fund is one of four Feeder Funds that invest in CAM Bastion Fund Limited ("Master Fund").

The Investment Manager's Report is included in the CAM Bastion Fund Limited financial statements and details the Investment Manager's activities and performance during the year to 31 December 2023.

### Principal Activities

The Master Fund is an investment company with four feeder funds namely CAM Bastion Dollar Fund Limited, CAM Bastion Rand Fund Limited, CAM Pinnacle Dollar Fund Limited and CAM Pinnacle Rand Fund Limited (the "Feeder Funds"). The Master Fund provides, through the Feeder Funds, shareholders with US dollar and South African rand share classes in separate companies for each currency which invest solely into the US dollar denominated Master Fund.

The Feeder Funds must invest solely into Participating Shares of the Master Fund, except in the case of the Rand Fund and CAM Pinnacle Rand Fund Limited in respect of currency hedging. The Participating Shares of the Master Fund are valued in US dollar. The Rand Fund and CAM Pinnacle Rand Fund Limited whilst investing into US dollar denominated Participating Shares of the Master Fund will, by appropriate currency hedging, seek to protect the value of its shares in South African rand. The Master Fund pays the fees of the Investment Manager, Administrator, Custodian, audit, formation and minor out of pocket expenses and Directors' fees of all Funds. Each Fund will otherwise bear its own costs and liabilities.

The Company's performance is aligned with the performance of the Master Fund. The Performance Review, the Market Review and Outlook for the Master Fund for the year ended 31 December 2023, contained within the annual report of the Master Fund, are appended to the Company's financial statements.

## **Directors' Report (continued)**

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### **Statement of Directors' Responsibilities**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB") and applicable law.

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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping proper accounting records which 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. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

### **Dividends**

No dividends have been declared in the year ended 31 December 2023 (31 December 2022: ZARNil) and the Directors do not recommend the payment of any dividends for the year ended 31 December 2023 (31 December 2022: ZARNil).

### **Disclosure of Information to the Auditor**

The Directors who held office at the date of approval of this Directors' Report confirm that as far as they are aware, there is no relevant audit information of which the Company's Auditor is unaware, and each Director has taken all the steps that 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.

### **Going Concern**

After having made all reasonable enquiries and having respect to the nature of the Company and its investments, the Directors are satisfied based on the information available to them at the present time, that it is appropriate to adopt the going concern basis in preparing the financial statements and, after due consideration, the Directors consider the Company is able to continue for the next twelve months from 27 June 2024.

### **Corporate Governance**

The Board of Directors confirm that, throughout the period covered by the financial statements, the Company complied with the Code of Corporate Governance issued by the Guernsey Financial Services Commission, to the extent it was applicable based upon its legal and operating structure and its nature, scale and complexity.

**Directors' Report (continued)**

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**Thanks**

We thank the Shareholders for their support and look forward to further opportunities for continued growth.

**For and on behalf of CAM Bastion Rand Fund Limited**



**Director**  
27 June 2024



**Director**  
27 June 2024

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**Custodian's Report for the year ended 31 December 2023**

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In our opinion the Company has, in all material aspects been managed for the year ended 31 December 2023 in accordance with the provisions of the Principal Documents, Scheme Particulars and the Authorised Collective Investment Schemes (Class B) Rules and Guidance 2021.



Northern Trust (Guernsey) Limited.

27 June 2024



CAM Bastion Rand Fund Limited

**Portfolio Statement**  
**As at 31 December 2023**

	31 December 2023				31 December 2022			
	Nominal holding of shares	Cost ZAR	Fair Value ZAR	% of NAV %	Nominal holding of shares	Cost ZAR	Fair Value ZAR	% of NAV %
CAM Bastion Fund Limited	97,600	232,238,442	266,626,709	97.73%	72,259	163,506,948	173,876,429	99.09%
Other assets			6,856,566	2.51%			1,593,429	0.91%
Total assets			273,483,275	100.24%			175,469,858	100.00%
Other liabilities			(670,791)	(0.24)%			(1,933)	(0.00)
Total net assets			272,812,484	100.00%			175,467,925	100.00%

# **Independent Auditor’s Report to the Members of CAM Bastion Rand Fund Limited**

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## **Report on the audit of the Financial Statements**

### **Our Opinion is unmodified**

We have audited the financial statements of CAM Bastion Rand Fund Limited (the “Company”), which comprise the statement of financial position as at 31 December 2023, the statements of comprehensive income, changes in net assets attributable to holders of participating shares and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

### **In our opinion, the accompanying Financial Statements:**

- give a true and fair view of the financial position of the Company as at 31 December 2023, and of the Company’s financial performance and cash flows for the year then ended;
- are prepared in accordance with International Financial Reporting Standards; and
- comply with 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including FRC Ethical Standards. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements (the “going concern period”).

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

#### **Identifying and responding to risks of material misstatement due to fraud**

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of management as to the Company’s policies and procedures to prevent and detect fraud as well as enquiring whether management have knowledge of any actual, suspected or alleged fraud;
- reading minutes of meetings of those charged with governance; and
- using analytical procedures to identify any unusual or unexpected relationships.

## **Independent Auditor's Report to the Members of CAM Bastion Rand Fund Limited**

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### **Fraud and breaches of laws and regulations – ability to detect (continued)**

#### **Identifying and responding to risks of material misstatement due to fraud (continued)**

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the Company's revenue streams are simple in nature with respect to accounting policy choice, and are easily verifiable to external data sources or agreements with little or no requirement for estimation from management. We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing any identified entries to supporting documentation; and
- incorporating an element of unpredictability in our audit procedures.

#### **Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations**

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence, if any, and discussed with management the policies and procedures regarding compliance with laws and regulations. As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The Company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or impacts on the Company's ability to operate. We identified financial services regulation as being the area most likely to have such an effect, recognising the regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

#### **Context of the ability of the audit to detect fraud or breaches of law or regulation**

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as this may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

#### **Other Information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or 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, 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.

## **Independent Auditor's Report to the Members of CAM Bastion Rand Fund Limited**

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### **We have nothing to report on other matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us 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.

### **Respective responsibilities**

#### **Directors' responsibilities**

As explained more fully in their statement set out on page 4, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

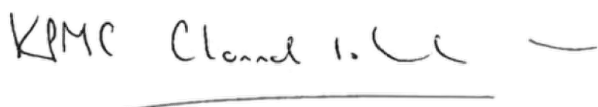
#### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **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. 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.

Handwritten signature in blue ink that reads "KPMG Channel Islands Limited" with a horizontal line underneath.

#### **KPMG Channel Islands Limited**

*Chartered Accountants, Guernsey*

#### **Date**

28 June 2024

**Statement of Comprehensive Income  
For the year ended 31 December 2023**

	note	2023 ZAR	2022 ZAR
<b>Net gain from financial assets at fair value through profit or loss</b>			
<i>Net gain on investments</i>			
Realised (loss)/gain on sale of investments	2	(4,554,036)	9,267,792
Change in unrealised appreciation on investments	2	26,029,082	12,450,406
Interest income		24,526	-
<b>Total income</b>		21,499,572	21,718,198
<b>Operating expenses</b>			
Other operating expenses		(4,197)	(27,831)
<b>Total operating expenses</b>		(4,197)	(27,831)
<b>Operating profit before finance costs</b>		21,495,375	21,690,367
<b>Finance costs</b>			
Finance costs		(7,299)	(171,882)
<b>Total finance costs</b>		(7,299)	(171,882)
<b>Change in net assets attributable to holders of Participating Shares resulting from operations</b>		21,488,076	21,518,485

The accompanying notes on pages 15 to 25 form an integral part of these financial statements.

**Statement of Financial Position  
As at 31 December 2023**

	note	2023 ZAR	2022 ZAR
<b>Assets</b>			
<i>Financial assets at fair value through profit or loss</i>			
Investments at fair value	2, 8	266,626,709	173,876,429
Unrealised gain on forward foreign exchange contracts	7, 8	3,152,508	1,146,017
<i>Financial assets measured at amortised cost</i>			
Cash and cash equivalents	2	3,704,058	447,412
Other receivables		-	-
<b>Total assets</b>		<b>273,483,275</b>	<b>175,469,858</b>
<b>Liabilities</b>			
<i>Financial liabilities at fair value through profit or loss</i>			
Unrealised loss on forward foreign exchange contracts	7, 8	199	1,209
Bank overdraft	2, 5	-	724
Subscriptions to shares not yet allotted		670,480	-
Other payables		112	-
<b>Total liabilities (excluding amounts attributable to holders of Participating Shares)</b>		<b>670,791</b>	<b>1,933</b>
<b>Net assets attributable to holders of Participating and Sponsor Shares</b>	4	<b>272,812,484</b>	<b>175,467,925</b>
<b>Net assets attributable to holders of Participating Shares</b>	4	<b>272,812,469</b>	<b>175,467,910</b>
<b>Equity</b>			
Net assets attributable to holders of Sponsor Shares	4	15	15
<b>Total Equity</b>		<b>15</b>	<b>15</b>

These financial statements were approved by the Directors 27 June 2024 and signed on 27 June 2024 on their behalf by:



Director  
27 June 2024



Director  
27 June 2024

The accompanying notes on pages 15 to 25 form an integral part of these financial statements.

**Statement of Changes in Net Assets Attributable to Holders of Participating Shares  
For year ended 31 December 2023**

	<b>ZAR</b>
<b>Balance at 1 January 2023</b>	175,467,910
Change in net assets attributable to holders of Participating Shares resulting from operations	21,488,076
Subscriptions during the year	107,036,603
Redemptions during the year	(31,180,120)
<b>Balance at 31 December 2023</b>	<b>272,812,469</b>
<b>Balance at 1 January 2022</b>	<b>172,983,604</b>
Change in net assets attributable to holders of Participating Shares resulting from operations	21,518,485
Subscriptions during the year	40,024,672
Redemptions during the year	(59,058,851)
<b>Balance at 31 December 2022</b>	<b>175,467,910</b>

The accompanying notes on pages 15 to 25 form an integral part of these financial statements.

**Statement of Cash Flows**  
**For the year ended 31 December 2023**

	<b>2023</b>	<b>2022</b>
	<b>ZAR</b>	<b>ZAR</b>
<b>Cash flows from operating activities</b>		
Change in net assets attributable to holders of Participating Shares resulting from operations	21,488,076	21,518,485
<i>Adjustment for</i>		
Change in financial assets at fair value through profit or loss	(94,757,781)	(4,073,117)
Finance costs	(7,299)	-
<i>Changes in operating assets and liabilities</i>		
Decrease in receivables	-	5,066
Increase in payables	(4,101)	-
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(73,281,105)</b>	<b>17,450,434</b>
<b>Cash flows from financing activities</b>		
Finance costs	11,512	-
Subscriptions for shares	107,036,603	40,024,672
Subscription of shares awaiting allotment	670,480	
Redemption of shares	(31,180,120)	(59,058,851)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>76,538,475</b>	<b>(19,034,179)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,257,370</b>	<b>(1,583,745)</b>
Bank overdraft, cash and cash equivalents at the beginning of the year	446,688	2,030,433
<b>Bank overdraft, cash and cash equivalents at the end of the year</b>	<b>3,704,058</b>	<b>446,688</b>

The accompanying notes on pages 15 to 25 form an integral part of these financial statements.



## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

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### 1. General Information

The Company was incorporated in Bermuda on 8 June 2004 and the Company was re-domiciled in Guernsey on 31 December 2018 under the Companies (Guernsey) Law, 2008. The Company is authorised by the Guernsey Financial Services Commission under the Authorised Collective Investment Schemes (Class B) Rules and Guidance 2021 and under the Protection of Investors (Bailiwick of Guernsey) Law, 2020 as an open ended Class B Scheme. The Company acts as an investment company.

The Company's investment objective is to achieve long term capital growth by investing in the Participating Shares of CAM Bastion Fund Limited (the "Master Fund"). The report and audited financial statements of the Master Fund year ended 31 December 2023 form an integral part of these financial statements and should therefore be read in conjunction with these financial statements.

The investment activities of the Company are managed by Peregrine Guernsey Limited (the "Investment Manager"). The administration of the Company is delegated to Northern Trust International Fund Administration Services (Guernsey) Limited (the "Administrator").

### 2. Material Accounting Policies

The material accounting policies which have been applied are set out below.

#### Statement of Compliance

The financial statements give a true and fair view and have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The accounting policies have been applied consistently by the Company.

The audited financial statements were approved by the Board of Directors on 27 June 2024.

#### Basis of Preparation

The financial statements have been prepared on a historical cost basis except for financial instruments classified at fair value through profit or loss that have been measured at fair value.

After having made all reasonable enquiries and having respect to the nature of the Company and its investments, the Directors are satisfied based on the information available to them at the present time, that it is appropriate to adopt the going concern basis in preparing the financial statements and, after due consideration, the Directors consider the Company is able to continue for the next twelve months from 27 June 2024.

The functional currency of the Company is the South African rand as the Directors have determined that this reflects the Company's primary economic environment. The presentation currency of the financial statements is also the South African rand.

#### New and Amended Standards and Interpretations applied in these Company's Financial Statements

A number of standards and amendments to standards or interpretations are effective for annual periods beginning on 1 January 2023, these had no material impact on the financial statements of the Company. The new and amended standards and interpretations in issue are applicable to the Company and have been adopted by the Company. The new amendments are as follows but not limited to:

- IAS 1 and IFRS S2 "Disclosure of Material Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)" effective 1 January 2023; and
- IAS 8 "Definition of Accounting Estimate (Amendments to IAS 8)" effective 1 January 2023.

## Notes to the Financial Statements for the year ended 31 December 2023 (continued)

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### 2. Material Accounting Policies (continued)

#### New and Amended Standards and Interpretations not applied in these Company's Financial Statements (issued but not yet effective)

- IAS 1 "Classification of Liabilities as Current or Non-current (Amendments to IAS 1)" effective 1 January 2024;
- IAS 1 "Non-current Liabilities with Covenants (Amendments to IAS 1)" effective 1 January 2024;
- IFRS S1 "General Requirements for Disclosure of Sustainability-related Financial Information" effective 1 January 2024; and
- IFRS S2 "Climate-related Disclosures", the implementation and the effective dates of IFRS Sustainability Disclosure Standards are subject to local regulation.

Other accounting standards and interpretations have been published and will be mandatory for the Company's accounting periods beginning on or after 1 January 2024 or later periods. The impact of these standards is not expected to be material to the reported results and financial position of the Company.

#### Financial Assets and Financial Liabilities

##### Recognition and Initial Measurement

Purchases and sales of investments are recognised on the trade date - the date on which the Company commits to purchase or sell the investment. Receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue.

##### Classification

##### Financial Assets

On initial recognition, a financial asset is classified as measured at: amortised cost or at FVTPL.

The Company classifies its investments based on the contractual cash flow characteristics of the financial assets and the Company's business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- The contractual cash terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income ("FVTOCI") only if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cashflows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are classified as measured at FVTPL, this includes all derivative financial assets.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

##### Financial Assets at Fair Value

The Company holds investment in the Master Fund at a fair value of ZAR266,626,709 (31 December 2022: ZAR173,876,429). The Company classifies all of its investment portfolio as financial assets at FVTPL as the contractual cash flows are not solely principal and interest.

## **Notes to the Financial Statements for the year ended 31 December 2023 (continued)**

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### **2. Material Accounting Policies (continued)**

#### **Financial Assets at Amortised Cost**

These includes cash and cash equivalents. These are recognised initially at fair value and subsequently measured at amortised cost using effective interest rate method. At each reporting date, the Company shall measure the loss allowance on amounts due from broker at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Company shall measure the loss allowance at an amount equal to 12-month expected credit losses, or shorter if the receivable is expected to settle in less than 12 months.

Significant increase in credit risk is defined by the Board of Directors as any contractual payment which is more than 30 days past due.

#### **Financial Liabilities**

The Company classifies its financial liabilities other than derivatives, as measured at amortised cost. Derivatives, if any, not designated in a qualifying hedge relationship are mandatorily classified at FVTPL.

#### **Offsetting**

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Company has a legal right to set off the recognised amounts and it intends to either settle on a net basis or to realise the asset and settle the liability simultaneously.

For the year ended 31 December 2023, and 31 December 2022, there were no financial assets or liabilities subject to enforceable master netting arrangements or similar agreements which would require disclosure.

#### **Derecognition**

A financial asset is derecognised when the Company loses control over the contractual rights that comprise that asset. This occurs when the rights are realised, they expire or they are surrendered. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or it expires.

#### **Participating Shares**

Under IFRS, Participating Shares redeemable at the shareholder's option are classified as financial liabilities and the format of the Statement of Financial Position reflects this in accordance with IAS 32 "Financial Instruments: Presentation". The net assets attributable to holders of Participating Shares are stated at the present value of the redemption amount on the reporting date without discounting, which are measured at amortised cost.

#### **Sponsor Shares**

Sponsor Shares are classified as equity based on the substance of the contractual arrangements between the Company and the Sponsor Shareholder and in accordance with the definition of equity instruments under IAS 32. The Sponsor Shareholder's equity is stated at original cost.

#### **Translation of Foreign Currencies**

Transactions in currencies other than South African rand are recorded at the rate prevailing on the date of the transaction. At each reporting date, non-South African rand denominated monetary assets and liabilities measured at fair value are retranslated at the rate prevailing on the reporting date. Foreign currency exchange differences related to investments at FVTPL are included in 'Net gain on investments'. All other differences are reflected in net profit or loss for the year.

#### **Net Gain on Investments**

Net gain on investments includes all realised and unrealised fair value changes and foreign exchange differences, but excludes interest.

Net realised gain on investments is calculated using the average cost method.

#### **Interest Income**

Interest income is recognised in the Statement of Comprehensive Income for all interest bearing instruments on an effective interest rate yield basis.

## **Notes to the Financial Statements for the year ended 31 December 2023 (continued)**

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### **2. Material Accounting Policies (continued)**

#### **Cash and Cash Equivalents and Bank Overdrafts**

Cash and cash equivalents comprise cash balances held at banks. Bank overdrafts are repayable on demand. In the Statement of Cash Flows, cash and cash equivalents are shown net of any short term overdrafts which are repayable on demand, and form an integral part of the Company's cash management.

#### **Expenses**

All expenses are recognised in the Statement of Comprehensive Income on an accruals basis.

#### **Material Accounting Judgements and Estimates**

The preparation of financial statements in accordance with IFRS requires management to make estimates, judgements 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 amount of income and expenses during the year. Actual results could differ from those estimates.

Revisions to estimates are recognised prospectively. Revisions to accounting estimates are recognised in the year in which an estimate is revised. The areas of estimates which have the most significant effect on the amounts recognised in the financial statements are valuation of investments and involvement with unconsolidated structured entities which are disclosed within the Master Fund's financial statements in note 10 'Financial Instruments and Risk Exposure' and note 11 'Fair Value Measurement' of those financial statements.

The Board of Directors has assessed and concluded that the cash flows generated by the value of the assets (the "Equities") are not solely payments of principal and interest (SPPI). Based on this, the Equities are mandatorily classified and measured at FVTPL.

#### **Master Fund**

The Master Fund is not considered to be a subsidiary of the Company as the Investment Manager beneficially held all general voting shares which give the holder the current ability to direct the activities that significantly affect the returns of both the Company and the Master Fund. IFRS 10 "Consolidated Financial Statements" single control model states that an entity has control over an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Directors are satisfied that the Master Fund does not meet the definition of a subsidiary in accordance with IFRS 10.

#### **Structured Entities**

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes; restricted activities, a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, insufficient equity to permit the structured entity to finance its activities without subordinated financial support and financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks.

The Company has determined that its investment in the Master Fund represents an investment in an unconsolidated structured entity. The Master Fund finances its operations by issuing redeemable shares which are puttable at the holders' option and entitle the holder to a proportional stake in the Master Fund's net assets. The change in fair value of the Company's holding in the Master Fund is included in the Statement of Comprehensive Income within 'Net gain on investments'.

The Directors believe that the requirements of IFRS 12 "Disclosure of Interests in Other Entities", in relation to structured entities, are observed by appending the Master Fund's financial statements to the Company's financial statements.

### **3. Fees**

The Company pays no direct fees. Please refer to the accompanying Master Fund's financial statements regarding fees paid by the Master Fund.

**Notes to the Financial Statements for the year ended 31 December 2023 (continued)****4. Share Capital and Net Asset Value per Participating Share**

	<b>31 December 2023 ZAR</b>	<b>31 December 2022 ZAR</b>
<b>Share capital of ZAR0.015 par value per share</b>		
1,000 Sponsor Shares (presented as equity in accordance with IAS 32)	15	15
4,999,000 Participating Shares (presented as a liability in accordance with IAS 32)	74,985	74,985
<b>Share capital</b>	<b>75,000</b>	<b>75,000</b>

The Sponsor Shares are owned by the Investment Manager and carry the right to attend and vote at all general meetings of the Company without restriction and are entitled to one vote for every Sponsor Share. The Sponsor Shares do not carry the right to participate in the assets of the Company in a winding up, except to the extent of repayment of par value paid in cash, nor in any dividends or other distribution of the Company so long as any Participating Shares are in issue.

The Participating Shares carry the right to notice of, and to attend, all general meetings of the Company but not to vote except in certain circumstances that may seek to alter the Participating Shareholder's rights or entitlements, in which event one Participating Share carries the right to one vote and a fraction of a Participating Share carries the right to a fraction of one vote. The Participating Shares are entitled to receive, to the exclusion of the Sponsor Shares, any dividends which may be declared by the Board of the Company and, upon the winding up of the Company, their par value and any surplus remaining after paying to the holders of the Sponsor Shares the par value of the Sponsor Shares (to the extent actually paid up in cash). The Sponsor Shares have the general voting powers of the Company and the holders of Participating Shares are entitled to receive notice of and attend all general meetings of the members.

	<b>Number of Issued Participating Shares</b>	
	<b>31 December 2023</b>	<b>31 December 2022</b>
Opening at 1 January	51,048.61	58,371.45
Issued during the year	30,582.09	12,046.62
Redeemed during the year	(8,821.44)	(19,369.46)
<b>Closing at 31 December</b>	<b>72,809.26</b>	<b>51,048.61</b>

The Net Asset Value per Participating Share is calculated by dividing the net assets attributable to holders of Participating Shares included in the Statement of Financial Position by the number of Participating Shares in issue at the year end.

**Notes to the Financial Statements for the year ended 31 December 2023 (continued)****4. Share Capital and Net Asset Value per Participating Share (continued)****Statement of Changes in Sponsor and Participating Shares**  
for the year ended 31 December 2023

	Sponsor Shares ZAR	Participating Shares ZAR	Total ZAR
<b>Balance at 1 January 2023</b>	15	175,467,910	175,467,925
Change in net assets attributable to holders of Participating Shares resulting from operations	-	21,488,076	21,488,076
Subscriptions during the year	-	107,036,603	107,036,603
Redemptions during the year	-	(31,180,120)	(31,180,120)
<b>Balance at 31 December 2023</b>	15	272,812,469	272,812,484
Number of Participating Shares in issue	n/a	72,809.26	72,809.26
<b>Net Asset Value Per Participating Share</b>	n/a	3,746.95	3,746.95
	Sponsor Shares ZAR	Participating Shares ZAR	Total ZAR
<b>Balance at 1 January 2022</b>	15	172,983,604	172,983,619
Change in net assets attributable to holders of Participating Shares resulting from operations	-	21,518,485	21,518,485
Subscriptions during the year	-	40,024,672	40,024,672
Redemptions during the year	-	(59,058,851)	(59,058,851)
<b>Balance at 31 December 2022</b>	15	175,467,910	175,467,925
Number of Participating Shares in issue	n/a	51,048.61	51,048.61
<b>Net Asset Value Per Participating Share</b>	n/a	3,437.27	3,437.27

The capital of the Company is represented by the net assets attributable to holders of Participating Shares. The amount of net assets attributable to holders of Participating Shares can change significantly on a monthly basis, as the Company is subject to monthly subscriptions and redemptions at the discretion of shareholders, as well as changes resulting from the Company's performance. The objective when managing capital is to safeguard the ability to continue as a going concern in order to provide returns for shareholders and maintain a strong capital base to support the development of the investment activities.

In order to maintain the capital structure, the policy is to perform the following:

- Monitor the level of monthly subscriptions and redemptions relative to the assets it expects to be able to liquidate within the month.
- Redeem and issue new Participating Shares in accordance with the constitutional documents.

The Board of Directors monitor capital on the basis of the value of net assets attributable to Participating Shareholders.

**5. Related Parties**

In accordance with IAS 24 "Related Party Disclosures" the related parties to the Company are outlined below.

The Company's related parties include the Directors, the Investment Adviser and the Investment Manager. Amounts incurred during the year and amounts due as at the Statement of Financial Position date in relation to these related parties are shown on the face of the financial statements or proportionally within the Master Fund financial statements.

## **Notes to the Financial Statements for the year ended 31 December 2023 (continued)**

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### **5. Related Parties (continued)**

#### **Key Management Personnel**

All of the Directors are also Directors of the Master Fund, the Feeder Funds and Peregrine Guernsey Limited.

The Directors are entitled to remuneration for their services from the Master Fund, please refer to the accompanying Master Fund financial statements for details of remuneration paid to the Directors.

The Directors of the Company, the Master Fund and Investment Manager may also act in the capacity of Directors for other investment companies.

At 31 December 2023, Directors and Persons so connected did not directly or indirectly hold Participating Shares in the Company (31 December 2022: Nil).

### **6. Financial Instruments and Risk Exposure**

The Company invests all its assets, other than currency hedging, into the Master Fund which is exposed to market risk, credit risk and liquidity risk arising from the financial instruments it holds. These risks are explained in the financial statements of the Master Fund which are attached. Financial instruments include investments at fair value, unrealised gain on forward foreign exchange contracts, cash and cash equivalents, unrealised loss on forward foreign exchange contracts, bank overdraft and Participating Shares are presented as financial liabilities. The carrying value of these financial instruments in the financial statements approximates their fair value.

The Master Fund and the Feeder Funds operate as an integrated structure whereby the Feeder Funds invest solely into the Master Fund except in respect of currency hedging. Total subscriptions made by the Company into the Master Fund during the year were ZAR101,485,474 (31 December 2022: ZAR43,322,157) and total redemptions made by the Company out of the Master Fund during the year were ZAR37,924,233 (31 December 2022: ZAR52,504,140).

Investments in the Master Fund are recorded at the net asset value per share as reported by the Administrator of the Master Fund at the measurement date. Where the Administrator is unable to provide net asset value per share, the Directors make their own assessment of value based on available information. In determining fair value, the Directors take into consideration, where applicable, the impact of suspensions of redemptions, liquidation proceedings, investments inside pockets and any other significant factors.

During the year ended 31 December 2023 and 31 December 2022, there were no instances wherein the Administrator of the Master Funds was unable to provide the net asset value per share or that the Directors considered it necessary to make any adjustment to the net asset value per share provided in order to arrive at fair value.

As at 31 December 2023 and 31 December 2022, the Company had no capital commitment obligations and no amounts were due from the Company for unsettled purchases. The Company invests into the Master Fund by purchasing the Master Fund's redeemable Participating Shares. The Master Fund allows redemption of these shares on a monthly basis with a 90 day notification period. Movements in the fair value of the Master Fund's portfolio and corresponding movements in the fair value of the Company expose the Company to a profit or loss.

Cash and cash equivalents and bank overdrafts, are held with the custodian. The custodian is a wholly owned subsidiary of Northern Trust Corporation that had a Long Term Rating from Standard and Poor's of A+ at 31 December 2023 (31 December 2022: A+).



**Notes to the Financial Statements for the year ended 31 December 2023 (continued)**

**6. Financial Instruments and Risk Exposure (continued)**

**Liquidity Risk**

The following tables show the contractual undiscounted cash flows of the Company's financial liabilities on the basis of the earliest possible maturity. Participating Shares may be redeemed on a monthly basis.

<b>As at 31 December 2023</b>				
<b>Liabilities</b>	<b>&lt; 1 month ZAR</b>	<b>1 - 3 months ZAR</b>	<b>3 months to 1 Year ZAR</b>	<b>Total ZAR</b>
<b>Unrealised loss on forward foreign exchange contracts</b>				
- Inflow	(1,810,050)	-	-	(1,810,050)
- Outflow	1,810,249	-	-	1,810,249
Subscriptions to shares not yet allotted	-	-	670,480	670,480
Other payables	112	-	-	112
Net assets attributable to holders of Participating Shares	-	272,812,469	-	272,812,469
<b>Total Liabilities</b>	<b>311</b>	<b>272,812,469</b>	<b>670,480</b>	<b>273,483,260</b>

<b>As at 31 December 2022</b>				
<b>Liabilities</b>	<b>&lt; 1 month ZAR</b>	<b>1 - 3 months ZAR</b>	<b>3 months to 1 Year ZAR</b>	<b>Total ZAR</b>
<b>Unrealised loss on forward foreign exchange contracts</b>				
- Inflow	(1,930,652)	-	-	(1,930,652)
- Outflow	1,931,861	-	-	1,931,861
Bank overdraft	724	-	-	724
Net assets attributable to holders of Participating Shares	-	175,467,910	-	175,467,910
<b>Total Liabilities</b>	<b>1,933</b>	<b>175,467,910</b>	<b>-</b>	<b>175,469,843</b>

**Currency Risk**

The Company is exposed to currency risk in pursuit of its investment objective, set out in note 1 'General information'. The currency risk is managed on a monthly basis using Forward Foreign Exchange Contracts.

At the Statement of Financial Position date, there was a net exposure to currency risk:

<b>As at 31 December 2023</b>				
<b>Currency</b>	<b>Monetary Assets ZAR</b>	<b>Monetary Liabilities ZAR</b>	<b>Forward Foreign Exchange Contracts ZAR</b>	<b>Net Exposure ZAR</b>
US dollar	270,330,767	(112)	3,152,309	273,482,964

<b>As at 31 December 2022</b>				
<b>Currency</b>	<b>Monetary Assets ZAR</b>	<b>Monetary Liabilities ZAR</b>	<b>Forward Foreign Exchange Contracts ZAR</b>	<b>Net Exposure ZAR</b>
US dollar	174,323,841	(724)	1,144,808	175,467,925



**Notes to the Financial Statements for the year ended 31 December 2023 (continued)****6. Financial Instruments and Risk Exposure (continued)****Leverage**

Peregrine Guernsey Limited (The “Manager”) may create leverage in the portfolio of the Master Fund by borrowing funds, using short positions or engaging in derivative transactions with counterparties. The Master Fund is permitted to borrow up to 10% of its net asset value for liquidity purposes. In addition, the Rand Funds may use borrowing facilities, but for currency hedging purposes only. As security for leverage employed, the fund may encumber the assets of the portfolio.

During the year, the maximum leverage utilised by the Company, measured at any one month end, was less than 7% (31 December 2022: less than 4%). Please refer to the Master Fund financial statements for details of the maximum leverage utilised by the Master Fund.

**7. Forward Foreign Exchange Contracts**

As at 31 December 2023, the Company had entered into and not closed Forward Foreign Exchange Contracts to hedge the value of the Company’s portfolio. The contracts, along with cash and cash equivalents and bank overdrafts, are held with the custodian. The custodian is a wholly owned subsidiary of Northern Trust Corporation that had a Long Term Rating from Standard and Poor’s of A+ at 31 December 2023 (31 December 2022: A+).

**Open Forward Foreign Currency Transactions at 31 December 2023**

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised (loss)/gain ZAR
ZAR 1,810,248	USD	0.0545	31 January 2024	(199)
US\$ 14,453,466	ZAR	18.5529	31 January 2024	3,152,368
US\$ 98,905	ZAR	18.3028	11 January 2024	66
US\$ 36,565	ZAR	18.3368	31 January 2024	74
				<u>3,152,309</u>

**Open Forward Foreign Currency Transactions at 31 December 2022**

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised (loss)/gain ZAR
ZAR 1,931,861	USD	0.0586	12 January 2023	(1,209)
US\$ 113,439	ZAR	17.0300	31 January 2023	107
US\$ 10,183,218	ZAR	17.1712	31 January 2023	1,145,910
				<u>1,144,808</u>

**8. Fair Value Measurement**

The fair value hierarchy prioritises the inputs to valuation techniques used to measure fair value. The categorisation of assets and liabilities within the hierarchy is explained in note 11 of the Master Fund’s notes to the financial statements.

The fair value of investments in the Master Fund is determined using unadjusted net asset value (Level 2 valuation). The unadjusted net asset value is used because the units in the Master Fund are redeemable at the reportable net asset value at, or approximately at, the measurement date. If this were not to be the case, then the net asset value would be used as a valuation input and an adjustment applied for lack of marketability or liquidity generally based on available market information (Level 3 valuation). Any adjustment would be based on management judgement after considering the period of restrictions and the nature of the Master Fund.

The fair value of Forward Foreign Exchange Contracts is determined by using quoted forward exchange rates at the reporting date (Level 2 valuation) less contracted forward exchange rates.

**Notes to the Financial Statements for the year ended 31 December 2023 (continued)****8. Fair Value Measurement (continued)**

The following tables represent the financial instruments carried on the Statement of Financial Position at fair value by level within the valuation hierarchy, under IFRS 13 “Fair Value Measurement”, as at 31 December 2023 and as at 31 December 2022:

Financial assets and liabilities at fair value through profit or loss at 31 December 2023				
	Level 1	Level 2	Level 3	Total
	ZAR	ZAR	ZAR	ZAR
CAM Bastion Fund Limited	-	266,626,709	-	266,626,709
Net unrealised appreciation on Forward Foreign Exchange Contracts	-	3,152,309	-	3,152,309
Financial assets and liabilities at fair value through profit or loss at 31 December 2023	-	269,779,018	-	269,779,018
Financial assets and liabilities at fair value through profit or loss at 31 December 2022				
	Level 1	Level 2	Level 3	Total
	ZAR	ZAR	ZAR	ZAR
CAM Bastion Fund Limited	-	173,876,429	-	173,876,429
Net unrealised appreciation on Forward Foreign Exchange Contracts	-	1,144,808	-	1,144,808
Financial assets and liabilities at fair value through profit or loss at 31 December 2022	-	175,021,237	-	175,021,237

There were no transfers between Levels 1, 2 or 3 assets held in the year or the prior year.

No investments have been classified within Level 3 at any time during the year, consequently no reconciliation of Level 3 fair value measurements is required.

For the year ended 31 December 2023, and 31 December 2022, all other assets and liabilities, other than investments at fair value, whose carrying amounts approximate fair value would have been considered to be classified within Level 2 of the fair value hierarchy if such classification was required.

The Company redeems and issues redeemable Participating Shares at the amount equal to the proportionate share of net assets of the Company at the time of subscription or redemption, calculated on a basis consistent with that used in the financial statements. Accordingly, the carrying amount of Net assets attributable to holders of Participating Shares approximates their fair value. The shares are categorised into Level 2 of the fair value hierarchy.

**9. Taxation**

The Company is eligible for exemption from taxation in Guernsey under the provision of the Income Tax (Exempt Bodies) (Guernsey) Ordinances 1989, as amended. To obtain exemption the Company pays an annual fee of £1,200.

**10. Subsequent Events**

No events have occurred in respect of the Company subsequent to 31 December 2023 which would require revision or disclosure in these financial statements.