

**Milltrust International Managed Investments ICAV**

(An Irish collective asset-management vehicle with variable capital having segregated liability between its funds and registered in Ireland with limited liability)

**Annual Report and Audited Financial Statements**

**31 December 2018**

***Registration No. C151894***

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## Milltrust International Managed Investments ICAV

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### ICAV INFORMATION

#### DIRECTORS

Stephen Finn\*  
Mark Ebert\*  
Simon Hopkins\*  
Peter O'Dwyer\*\* (*appointed 22 March 2018*)  
Denise Kinsella (*resigned 22 March 2018*)

#### REGISTERED OFFICE

6<sup>th</sup> Floor  
2 Grand Canal Square  
Dublin 2  
Ireland

#### INVESTMENT MANAGER

*Prior to 17 May 2018*  
Sturgeon Ventures LLP  
Linstead House  
2<sup>nd</sup> Floor, 9 Disraeli Road  
London SW15 2DR  
England

*After 17 May 2018*  
Milltrust International LLP  
6 Stratton Street  
Mayfair  
London W1J 8LD  
United Kingdom

#### ALTERNATIVE INVESTMENT FUND MANAGER

KBA Consulting Management Limited  
5 George's Dock  
IFSC  
Dublin 1  
Ireland

#### ADMINISTRATOR, REGISTRAR and TRANSFER AGENT

MUFG Alternative Fund Services (Ireland) Limited  
Ormonde House  
12/13 Lower Leeson Street  
Dublin 2  
Ireland

#### DEPOSITARY

Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A.  
Dublin Branch  
Ormonde House  
12/13 Lower Leeson Street  
Dublin 2  
Ireland

#### ICAV SECRETARY

Wilton Secretarial Limited  
6<sup>th</sup> Floor  
2 Grand Canal Square  
Dublin 2  
Ireland

#### LEGAL ADVISERS AS TO IRISH LAW

William Fry  
2 Grand Canal Square  
Dublin 2  
Ireland

\* Not an executive Director

\*\* Independent non-executive director

**ICAV INFORMATION (continued)**

**INVESTMENT ADVISER**

*Prior to 17 May 2018*  
Milltrust International LLP  
6 Stratton Street  
London W1J 8LD  
United Kingdom

**SUB-INVESTMENT ADVISER**  
*(in respect of certain Sub-Funds)*

Milltrust Agricultural Investments Limited  
6 Stratton Street  
London W1J 8LD  
United Kingdom

East India Capital Management Pte Ltd.  
77 B Tras Street  
Singapore 079016

**AUDITOR**

KPMG  
1 Stokes Place  
Dublin 2  
Ireland

## INVESTMENT MANAGER'S REPORT

### MAI - Buy & Lease (Australia)

Capital payments made during the year included \$347,000 for the construction of additional grain storage on Lurline North to support harvest of grain from the new irrigation development and \$990,000 at Invergelly for a calf rearing shed (in order to expand the milking facility and improve calf health), physically integrating the two properties with a crossing and laneways to support a more efficient operation and enhance the value of the combined blocks and adding a new feedpad on the property.

The third instalment of the Cottrell Farms purchase price was paid in December 2018 along with the first payment for the new citrus plantings, which are now in production. These new plantings consisted of approximately 10 hectares planted to varieties including Tango, Star Ruby and Gold Nugget.

A new shed is to be constructed at Cottrell Farms. The essential use of the new shed will be for the management of citrus varieties which require dipping with a fungicide soon after harvest and then hardening off before transport to the packing shed. At other times of the year, the shed will be used for the storage and protection of tractors and implements.

Cottrell Farms experienced the hottest January (2019) on record which has affected the Table Grapes. At this stage the citrus crop is still looking reasonable, although it will affect fruit size a bit.

Farm valuations as at 31 December 2018 were completed by JLL, both on a vacant possession and encumbered lease basis. The encumbered lease valuation is used to determine the Sub-Fund NAV. These valuations came in as \$12m for Cottrell Farms, \$18m for Lurline North and \$6.9m for Invergelly.

Vacant possession values varied, with Cottrell Farms and Invergelly valued at premiums to last year, while Lurline North saw a decrease from last year's valuation, mainly due to the poor market conditions and lack of sales in the area due to the recent drought in Australia.

Invergelly has faced problems with the recent drought in Australia, with the irrigation area in which the farm is located seeing a zero allocation of water since July 2018.

The other challenge currently being faced is sourcing and the price of feed grain and other commodities. Feed prices were around \$445/tonne compared to \$230-289/tonne last year.

136 ha of Maize has been planted on the property. The crop looks like it will yield very well thanks to the careful management of it. This will be harvested for silage in March/April.

Invergelly embarked on a large mating program with good results so far, with the majority of those cows calving in April and May 2019.

### MAI - Buy & Lease (New Zealand)

Following legal advice to withdraw the OIO applications to acquire Ohau Downs and Glen Eyrie, the investment manager took the decision to invest into a newly established dairy, beef and cropping enterprise, Waitonui Milltrust Agricultural Holdings (WMAH). WMAH was to initially own eight farms and associated assets (dairy company and irrigation company shares) with combined assets of \$102m. The Sub-Fund's initial investment of \$14m for a 24.9% stake in WMAH did not require OIO approval, because the investment was below the 25% threshold and the Sub-Fund (through its subsidiary) is the only foreign investor in the entity.

The initial investment was completed in August 2018 and included a tranche of Fonterra shares, and simultaneously WMAH acquired three of the eight initial farms. The initial performance of the farms was extremely positive with achieved production well exceeding forecasts.

WMAH has now acquired the farming assets of a further three farms (and related assets) which were owned by a private company, Gardon Limited. Gardon transferred assets and cash in exchange for equity units in WMAH. The acquisition of the Gardon farming business by WMAH comprised one continuous land area made up of three high yielding dairy farms located in the North Island of New Zealand. The integration of the Gardon farming business meets a number of strategic objectives for WMAH towards the development of a commercial and sustainable agribusiness, offering a balance between dairy and beef meat production. The acquisition resulted in a proven portfolio of assets in both the South and North Islands.

WMAH now owns a portfolio of farms and associated farming assets with total asset value over NZD 125 million. WMAH's portfolio covers an aggregate of 3,500 hectares, milking 10,000 cows and producing over 4 million kilograms of milk solids annually. WMAH has a pipeline of acquisition opportunities which following completion will result in a total asset value of circa NZD 164m.

## **INVESTMENT MANAGER'S REPORT (Continued)**

### **MAI - Buy & Lease (New Zealand) (Continued)**

The Sub-Fund also purchased an additional 700,000 Fonterra shares at a price of \$5/share. The Sub-Fund will receive a 5.5% rent yield on the additional shares purchased. The shares, if sold would have a minimum sale price of the higher of \$5/share or the prevailing market price.

To date MAI has invested \$28.9m. A further amount of \$5.3m is committed to WMAH to fund additional identified and contracted farm acquisitions.

The first lease payment receipts (including the 5.5% return on the Fonterra supplier share tranche) following the initial investment were paid to the Sub-Fund in November. The lease payments were back dated to 1 June 2018.

Milk production was down slightly in December as a result of high rainfall, flooding and some feed quality issues. Production figures were slightly below budget due to this. Production has since recovered and WMAH is on target to meet and exceed the original forecasts.

### **British Innovation Fund**

There were no changes to the composition of the portfolio in 2018, although after the year end Roslin Technologies Limited issued its further committed capital call for £5m, which was paid in May 2019.

Six new companies were added to the OSI portfolio during Q4 2018, bringing the total number of spinouts in the OSI portfolio to 69 as at the end of 2018. There were also 5 additional funding rounds on existing portfolio companies during the quarter. The fair value of the OSI portfolio is now £228.9m with a net change of fair value of portfolio of £9.3m, attributable to the fair value increase of OSI's holding in Osler Diagnostics (+£18.88m) and a -£9.56m portfolio impairment provision factor. NAV is now £707.3m with a NAV per share of 116.92p.

Roslin Technologies reported a successful 2018 with revenues growing 22% to exceed the £1 million threshold. Two of Roslin's business units achieved positive EBIT and the other business units established in 2018 have products developed to commence revenue generation in 2019.

Pragmatic completed its first close on its latest funding round in January, receiving around £11.2m, at a pre-money valuation of £60m, from its three main investors. The target for this funding round was £15m and so the Company is looking for additional investment to close out the remaining £3.8m of headroom. The share price for this issue was £126.58, resulting in a positive revaluation of the Sub-Fund's holding of £856,000 (+42%). The Company shipped its first FlexIC's off the FlexLogIC production line, albeit as part of a funded development project.

Attomarker has been testing its latest version device and putting the technology through an FDA Testing protocol. The Company has simultaneously been progressing with the commercial proposition and has started negotiations with a UK Pharmacy chain to roll the technology out to 500 stores in 2020 with some exclusivity. Further, a second distribution deal is being negotiated with another partner for GPs and Hospitals in the UK and Ireland. In 2019 Attomarker is expected to close a round for £15m to take the technology through to production in a volume to meet the demand of the contracts.

### **EICM South Asia Hospitality 1**

In 2018 the developer, Mahamaya Infrastructure Pvt Ltd (MIPL), reported that delays in obtaining funding (due to a tightening of banking liquidity regulations resulting in a freezing of loan disbursements from banks) has held back progress on the construction and progress had been very slow, albeit ongoing.

However, in July 2018, MIPL reported the successful outcome of financing discussions with a non-banking financial company, which would take over the bank loans at a lower interest rate and longer repayment period.

With the replacement funding in place and readily available for drawdown, the project was able to proceed to completion and the hotel launched as a soft open in February 2019.

An independent valuation of MIPL carried out as at 30 June 2018 by SPA Capital Advisors Ltd determined a value per share of INR 517.66, which is reflected in the portfolio valuation as at 31 December 2018.

**INVESTMENT MANAGER'S REPORT (Continued)**

**Milltrust Global Emerging Markets Fund**

Emerging Markets stocks were down 15% in 2018 making it the worst performance for Emerging Market equities since 2015 in a year defined by tighter US monetary policy, trade tensions between the world's two largest economies and political turmoil in Washington.

Out of the large economies, Brazil (+2.09%) and Saudi Arabia (+18.39%) were the best US Dollar-based performers for the year, followed closely by Russia. All three countries were overweights in the Milltrust GEMS portfolio. We also witnessed severe currency weakness throughout the year which impacted equity returns in several local markets, including Russia (-15.7% versus the USD), Brazil (-13.1% versus the USD), South Africa (-11.3% versus the USD), and India (-9.1% versus the USD).

Looking forward, the biggest themes for 2019 remain the U.S.-China trade war, the Fed and European politics. If the Fed goes dovish this year and the US Dollar peaks, we should expect the Emerging markets to rally substantially.

The MSCI Emerging Markets Index trades at around 10 times earnings while the developed markets trade at 18 times earnings. The gap between valuations is near all-time highs. The Emerging Markets that still look cheap are China (trade war), South Korea (China offshoot) and Russia (Cold War 2.0). Regarding the China trade war, we think a 'deal of sorts' will be agreed, which will also benefit South Korea. Russia continues to face a seemingly endless wave of sanctions although they have been incredibly resilient up to now.

In terms of our asset allocation, Asia is trending up as most of the larger Asian economies are benefiting from cheaper oil price which is providing a boost to their terms of trade. China and Korea also offer attractive valuations that are well below both the Emerging Markets average and their own long-term averages. India is also trending up but expensive valuations remain a headwind.

**Milltrust International LLP**

**May 2019**

### **DIRECTORS' REPORT**

The Directors (as noted on page 2) present herewith their annual report and audited financial statements of the Sub-Funds of Milltrust International Managed Investments ICAV (the "ICAV"), which includes the active Sub-Funds MAI – Buy & Lease (Australia), MAI – Buy and Lease (New Zealand), EICM South Asia Hospitality 1, British Innovation Fund, and the Milltrust Global Emerging Markets Fund ("GEMs") which launched on the 16 January 2018 (collectively the "Sub-Funds").

Capitalised terms used herein will have the meanings given to them in the prospectus of the ICAV and the supplements for the Sub-Funds.

### **Investment Objective, Policies and Strategies**

The Directors have directed the affairs of the ICAV in accordance with the Irish Collective Asset-management Vehicle Act 2015 ("ICAV Act 2015") and the European Union (Alternative Investment Fund Managers) Regulations 2013 (S.I. 257 of 2013) since the date of registration on 10 February 2016.

The ICAV may create separate funds (each a "Sub Fund") with segregated liability between Sub-Funds. The assets of a Sub-Fund will be invested separately in accordance with the investment objectives and policies of the relevant Sub-Fund. The specific investment objective and policies of each Sub-Fund will be set out in the relevant Supplement and will be formulated by the Directors at the time of creation of the relevant Sub-Fund.

The investment objective of the ICAV is to provide investors with capital appreciation and income consistent with prudent investment management.

### **Results, Activities and Future Developments**

The results of the financial period are set out in the statement of comprehensive income on pages 18 and 19. A review of activities is contained in the Investment Manager's report on pages 4 to 6. The Directors intend to continue to develop the activities of the Sub-Funds.

### **Structure**

The ICAV is established in Ireland pursuant to the ICAV Act 2015 and is authorised by the Central Bank as a Qualifying Investor Alternative Investment Fund ("QIAIF"). The ICAV is structured as an umbrella fund with segregated liability between Sub-Funds and as an Irish collective asset-management vehicle with variable capital. Pursuant to the Alternative Investment Fund Management Agreement, the ICAV has appointed KBA Consulting Management Limited as Alternative Investment Fund Manager (the "AIFM") who are responsible for the investment management and administration functions in respect of the ICAV and each Sub-Fund. Prior to the 17 May 2018, the AIFM had delegated the investment management function to Strurgeon Ventures LLP who appointed Milltrust International LLP to act as an investment adviser. For the period from 17 May 2018, the AIFM has delegated the investment management function to Milltrust International LLP.

### **The Sub-Funds**

Each of the Sub-Funds may have different terms and conditions from those of the other Sub-Funds and such terms and conditions will be set out in the relevant Supplement relating to such Sub-Fund (and the classes of such Sub-Fund). Each class of shares established within the Sub-Fund may have different terms and conditions from those of the other classes within the Sub-Fund. The differences between classes may include, without limitation any one or more of the following: (i) currency denomination; (ii) dividend policy; (iii) fees, charges and expenses; (iv) hedging policies; (v) liquidity features; (vi) minimum initial subscription, holding and redemption amounts or (vii) asset allocation. Subject to any applicable provisions of the Alternative Investment Fund ("AIF") Rulebook, each Sub-Fund will distribute or accrue capital gains or losses and income to each shareholder relative to their participation in the relevant class. Particulars relating to individual Sub-Funds and the classes of shares available therein are set out in the relevant Supplement. Shareholders of the same class shall be treated equally, where more than one class exists in a Sub-Fund, all shareholders in the different classes shall be treated fairly in accordance with the requirements of the AIF Rulebook.



## **DIRECTORS' REPORT (continued)**

### **The Sub-Funds (continued)**

The MAI - Buy & Lease (Australia) Sub-Fund has established an investment vehicle (Milltrust BLA LLP, a limited liability partnership incorporated in England and Wales on 22 August 2016), which is a subsidiary of the Sub-Fund, to provide exposure to farmland assets held in Australia. The Sub-Fund is also the sole owner of Milltrust Agricultural Investments (Ireland) Limited, incorporated on 2 August 2016 in Ireland, its sole purpose being to act as general partner of Milltrust BLA LLP.

Through these vehicles the Sub-Fund holds an indirect investment in 7 farmland properties as at 31 December 2018. On the 15 October 2018 MAI-Buy & Lease (Australia) Sub-Fund entered into a term loan agreement with Milltrust BLA LLP with a final repayment date of 31 December 2026. Milltrust BLA LLP shall use all sums borrowed by it or advanced to it as a capital contribution under the agreement for further investment into units issued by Milltrust Agricultural Investments Australia Unit Trust.

The MAI - Buy & Lease (New Zealand) Sub-Fund has established an investment vehicle (Milltrust Agricultural Investment New Zealand Limited Partner, registered in New Zealand) as a subsidiary of the Sub-Fund, to provide exposure to farmland assets held in New Zealand.

The EICM South Asia Hospitality 1 Sub-Fund invests in property related assets including securities issued by a body corporate whose main activity is investing in, dealing in, developing or redeveloping property. The sole property related assets in which the Sub-Fund has invested to date is situated in India.

The British Innovation Fund invests in a portfolio of venture funds and/or direct investments, typically unquoted pre-initial public offering UK companies involved in research and development activities based in the UK (including, but not limited to, biotechnology, life sciences, agricultural technologies, healthcare, medicine, physics and mathematics). As a result of such investment, the British Innovation Fund will seek to obtain indirect and direct exposure to the equity or debt securities of private companies, which have been formed as a result of innovation primarily in the United Kingdom ("UK") university sector.

Milltrust Global Emerging Markets Fund launched on 16 January 2018. The Sub-Fund will pursue its investment objective by investing in a limited portfolio of Investment Funds which invest primarily in emerging markets, which may include, but shall not be limited to Brazil, Mexico, Chile, Peru, Colombia, Russia, China, Hong Kong, Taiwan, India, Indonesia, Malaysia, Thailand, Philippines, Saudi Arabia, United Arab Emirates and Kuwait or in equities of companies which have operations in, exposure to, or derive part of their revenue from such markets, wherever they may be listed.

### **Directors' and Secretary's Interests in Shares**

The Directors and ICAV Secretary (as noted on page 2) who held office during the year ended 31 December 2018 had no interest in the shares, debentures or loan stock of the ICAV during the year.

### **Dividend Policy**

The Directors are empowered to declare and pay dividends in any share class in respect of any Sub-Fund. The dividend policy in respect of each share class shall be set out in the relevant Supplement.

Any dividend, which is unclaimed for six years or more from the date of its declaration shall, at the discretion of the ICAV, be forfeited and shall become the property of the relevant Sub-Fund. Any change to the dividend policy of a Sub-Fund must be notified to shareholders in advance. There was no dividend paid during the year or payable as at 31 December 2018.

### **Accounting Records**

The measures taken by the Directors to ensure compliance with the requirements of the ICAV Act 2015, regarding adequate accounting records are the implementation of necessary policies and procedures for recording transactions, employ appropriately qualified accounting personnel and the provision of adequate resources, including appropriate computerised accounting systems, to the financial function. While the Directors are responsible for ensuring that adequate accounting records are kept by the ICAV pursuant to the ICAV Act 2015, the day to day management of these responsibilities has been delegated to MUFG Alternative Fund Services (Ireland) Limited as Administrator, who ensure that the requirements of the ICAV Act 2015 are complied with. The books and accounting records are maintained at Ormonde House, 12-13 Lower Leeson Street, Dublin 2, Ireland.

## **DIRECTORS' REPORT (continued)**

### **Corporate Governance Statement**

The Board of Directors voluntarily complies with the Corporate Governance Code for Collective Investment Schemes and Management Companies, as published by the Irish Funds Industry Association (the "IF Code") in December 2011. The Board of Directors has assessed the measures included in the IF Code as being consistent with its corporate governance practices and processes for the financial year.

### **Risk Management**

The Sub-Funds are exposed to principal risks such as market, credit and liquidity risk. The Sub-Funds invest in portfolio investments which are by their nature of limited liquidity and the liquidity profile of each Sub-Fund (with limited rights of redemption) is designed to reflect this liquidity. Due to the nature of the investments in each Sub-Fund, there may be exposure to additional risks such as: leasing (or tenancy) risk, untried technology, absence of operating history, availability of future funding or use of leverage in underlying investments. The manner in which these risks have been dealt with are disclosed in note 7 of the financial statements.

### **Use of Financial Instruments**

Refer to note 2 of the financial statements.

### **Remuneration**

During the year ended 31 December 2018, the Directors of the Company, were remunerated in relation to the ICAV, to the amount of US\$47,500.

### **Significant events during the year**

During the year, the ICAV issued a new Prospectus which principally covered the change of Investment Manager. Milltrust International LLP replaced Sturgeon Ventures LLP as Investment Manager on 17 May 2018. Milltrust Global Emerging Markets Fund launched on 16 January 2018.

There were no other material changes that require disclosure in the financial statements.

### **Subsequent events**

Refer to note 21 for details of subsequent events.

### **Connected Parties Statement**

Section 5(ii)(2)(k) of the Central Bank's AIF Rulebook states "the annual report must state whether the Sub-Fund is satisfied that there are arrangements in place to ensure that the obligations set out in paragraph 1 of section 1.viii *Dealings by management company, general partner, depository, AIFM, investment researcher or by delegates or group companies of these* of this Part are applied to all transactions with connected parties, and whether the Sub-Fund is satisfied that transactions with connected parties entered into during the financial period complied with the obligations set out in paragraph 1 of section 1.viii".

The Board of Directors are satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out in the paragraph above are applied to all transactions with connected and related parties; and the Board of Directors are satisfied that transactions with connected and related parties entered into during the financial period complied with the obligations set out in this paragraph.

### **Significant events**

The Directors draw attention to Section (i) paragraph 2 of the Depositary's Report to the Shareholders.

The Directors have withdrawn the original financial statements submitted to the Central Bank of Ireland because the Depositary's Report to the Shareholders therein was qualified in error. The revised Depositary's Report is included in this set of financial statements which were approved by the Directors on 6th August 2019.

**DIRECTORS' REPORT (continued)**

**Independent Auditors**

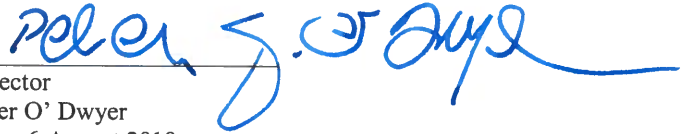
In accordance with section 125 of the Act, KPMG Chartered Accountants & Registered Auditors, have expressed their willingness to continue in office as the ICAV's auditor.

On behalf of the Board



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Director  
Stephen Finn  
Date: 6 August 2019



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Director  
Peter O' Dwyer  
Date: 6 August 2019

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

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

The Irish Collective Asset-management Vehicles Act 2015 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 ("IFRS") as adopted by the European Union ("EU") and applicable law.

The financial statements are required to give a true and fair view of the assets, liabilities and financial position of the ICAV at the end of the financial year and of the increase in net assets attributable to holders of redeemable participating shares in the ICAV for the financial year. 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 ICAV'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 ICAV or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and enable them to ensure that the financial statements comply with the Irish Collective Asset-management Vehicles Act 2015 and the Alternative Investment Fund ("AIF") rulebook. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the ICAV. In this regard they have entrusted the assets of the ICAV to Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A. (the "Depositary" for safe-keeping. They are responsible for such internal controls 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 to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a Directors' Report that complies with the requirements of the Irish Collective Asset-management Vehicles Act 2015.

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

On behalf of the Board

Director



Stephen Finn

Date: 6 August 2019

Director



Peter O' Dwyer

Date: 6 August 2019

**DEPOSITARY'S REPORT TO THE SHAREHOLDERS**

We, Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A. Dublin Branch, appointed as Depositary to Milltrust International Managed Investments ICAV (the "ICAV") provide this report solely in favour of the Shareholders of the ICAV for the year ended 31 December 2018 ("Accounting Period"). This report is provided in accordance with current Depositary Regulations. We do not, in the provision of this report accept nor assume responsibility for any other purpose or person to whom this report is shown.

In accordance with our Depositary obligations, we have enquired into the conduct of the AIFM and the ICAV for this Accounting Period and we hereby report thereon to the shareholders of the ICAV as follows;

We are of the opinion that the ICAV has been managed by the AIFM during the year, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the ICAV by the constitutional document and otherwise in accordance with the provisions of the appropriate regulations;
- (ii) otherwise in accordance with the provisions of the constitutional document and the investment fund legislation.

The Depositary has however been made aware of the following issue of note:

EICM - South Asia Hospitality 1

There is an ongoing issue in relation to outstanding KYC/AML documentation confirming beneficial ownership of the underlying investor. The matter is being noted due to the timeframe that the documentation has remained outstanding for.



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1 Harbourmaster Place  
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D01 F6F5  
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## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE SUB-FUNDS (AS SET OUT BELOW) OF MILLTRUST INTERNATIONAL MANAGED INVESTMENTS ICAV**

### **Report on the audit of the financial statements**

#### ***Opinion***

We have audited the financial statements of MAI – Buy and Lease (Australia), MAI – Buy and Lease (New Zealand), EICM South Asia Hospitality 1, British Innovation Fund and Milltrust Global Emerging Markets Fund (“the Sub-Funds”) for the year ended 31 December 2018 set out on pages 16 to 63, which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Net Assets Attributable to Holders of Redeemable Participating Shares, the Statement of Cash Flows and related notes, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Sub-Funds of the ICAV as at 31 December 2018 and of its changes in net assets attributable to holders of redeemable participating shares for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Irish Collective Asset-management Vehicles Act 2015.

#### ***Basis for opinion***

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) 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 ICAV in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, 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.

#### ***Other matter – withdrawal of the original annual report and financial statements***

The original annual report and original financial statements which were approved on 27 June 2019 have been withdrawn, due to facts becoming known to us subsequent to the 27 June 2019 which may have caused us to amend our audit report at that date. It has become known to us that the original Depositary's Report to the Shareholders was qualified in error and that report has been replaced in the annual report. The financial statements have been approved as of 6 August 2019 and accordingly have been updated to reflect events which have taken place after the date on which the original financial statements were approved when necessary.



**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE SUB-FUNDS  
(AS SET OUT BELOW) OF MILLTRUST INTERNATIONAL MANAGED INVESTMENTS  
ICAV (continued)**

***We have nothing to report on going concern***

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

***Other information***

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the investment manager's report, directors' report, the depositary's report to the shareholders, schedule of investments (unaudited), AIFMD disclosures (unaudited) and foreign exchange & soft commissions (unaudited). The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

***Opinion on other matter prescribed by the Irish Collective Asset-management Vehicles Act 2015***

In our opinion, the information given in the Directors' Report is consistent with the financial statements.

***Matters on which we are required to report by exception***

The Irish Collective Asset-management Vehicles Act 2015 requires us to report to you, if in our opinion, the disclosures of Directors' remuneration specified by law are not made. We have nothing to report in this regard.

***Respective responsibilities and restrictions on use***

***Responsibilities of directors for the financial statements***

As explained more fully in the directors' responsibilities statement set on page 10, 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 ICAV'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 ICAV or to cease operations, or have no realistic alternative but to do so.



**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE SUB-FUNDS  
(AS SET OUT BELOW) OF MILLTRUST INTERNATIONAL MANAGED INVESTMENTS  
ICAV (continued)**

***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 (Ireland) 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 fuller description of our responsibilities is provided on IAASA's website at [https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

***The purpose of our audit work and to whom we owe our responsibilities***

Our report is made solely to the shareholders of the ICAV, as a body, in accordance with the Section 120 of the Irish Collective Asset-management Vehicles Act 2015. Our audit work has been undertaken so that we might state to the ICAV's shareholders 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 ICAV and the ICAV's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

**Brian Clavin  
for and on behalf of  
KPMG  
Chartered Accountants, Statutory Audit Firm  
1 Harbourmaster Place  
IFSC  
Dublin 1**

**6 August 2019**



# STATEMENT OF FINANCIAL POSITION

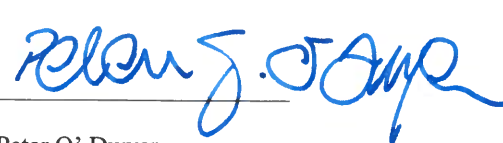
As at 31 December 2018

		MAI - Buy & Lease (Australia) AUD\$	MAI - Buy & Lease (New Zealand) NZD\$	EICM South Asia Hospitality 1 USD\$	British Innovation Fund GBP£	Milltrust Global Emerging Markets Fund* USD\$
	Notes					
<b>Assets</b>						
Financial assets at fair value through profit or loss	8	28,175,079	29,225,613	2,287,316	15,105,450	112,797,129
Cash and cash equivalents	5	3,720	8,126,004	-	4,317,144	196,022
Other receivables		3,338,042	396,742	577,738	-	42,212
<b>Total Assets</b>		<b>31,516,841</b>	<b>37,748,359</b>	<b>2,865,054</b>	<b>19,422,594</b>	<b>113,035,363</b>
<b>Liabilities</b>						
Administration fees payable	11	19,843	45,729	77,512	22,589	36,485
AIFM fees payable	10	10,702	11,546	7,756	6,080	-
Investment management fees payable	13	-	21,056	39,354	50,008	77,138
ICAV service fees payable	13	65,070	68,639	206,532	36,440	21,105
Other liabilities		134,104	356,007	288,728	353,790	105,982
Bank overdraft	5	-	-	15,273	-	-
<b>Total Liabilities</b>		<b>229,719</b>	<b>502,977</b>	<b>635,155</b>	<b>468,907</b>	<b>240,710</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Shares</b>		<b>31,287,122</b>	<b>37,245,382</b>	<b>2,229,899</b>	<b>18,953,687</b>	<b>112,794,653</b>
<b>Net asset value per share Shares in issue</b>	9	AUD\$101.87 307,140.10	NZD\$96.72 385,081.63	USD\$108.45 20,562.02	GBP£99.76 190,000.00	USD\$78.80 1,431,365.43

\* Milltrust Global Emerging Markets Fund launched on 16 January 2018 and therefore no comparison is presented in these financial statements.

Approved by the Directors on 6 August 2019.

Director:   
Stephen Finn

Director:   
Peter O' Dwyer

The accompanying notes form an integral part of the financial statements.

**STATEMENT OF FINANCIAL POSITION**  
**As at 31 December 2017**

	Notes	MAI - Buy & Lease (Australia) AUD\$	MAI - Buy & Lease (New Zealand)* NZD\$	EICM South Asia Hospitality 1 USD\$	British Innovation Fund GBP£
<b>Assets</b>					
Financial assets at fair value through profit or loss	8	27,964,407	-	2,100,122	11,742,085
Cash and cash equivalents	5	999,981	37,632,100	3,286	4,714,364
Prepaid investment in securities		-	468,075	-	2,507,196
Other receivables		1,532,175	10,903	348,628	-
<b>Total Assets</b>		<b>30,496,563</b>	<b>38,111,078</b>	<b>2,452,036</b>	<b>18,963,645</b>
<b>Liabilities</b>					
Administration fees payable	11	88,447	57,336	61,544	50,251
AIFM Fees payable	10	9,608	10,571	7,503	5,553
Investment management fees payable	13	1,537	1,904	19,481	13,981
ICAV service fees payable	13	93,931	75,253	121,137	40,731
Other liabilities		123,482	204,009	188,008	273,594
Subscription in advance		-	-	-	4,000,000
<b>Total Liabilities</b>		<b>317,005</b>	<b>349,073</b>	<b>397,673</b>	<b>4,384,110</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Shares</b>					
		<b>30,179,558</b>	<b>37,762,005</b>	<b>2,054,363</b>	<b>14,579,535</b>
<b>Net asset value per share</b>					
<b>Shares in issue</b>	9	AUD\$98.26 307,140.10	NZD\$98.06 385,081.63	USD\$99.91 20,561.97	GBP£97.20 150,000.00

\* MAI – Buy & Lease (New Zealand) launched on 26 January 2017.

The accompanying notes form an integral part of the financial statements.

**STATEMENT OF COMPREHENSIVE INCOME**


For the year ended 31 December 2018


	Notes	MAI - Buy & Lease (Australia) AUD\$	MAI - Buy & Lease (New Zealand) NZD\$	EICM South Asia Hospitality 1 USD\$	British Innovation Fund GBP£	Milltrust Global Emerging Markets Fund* USD\$
<b>Investment Income</b>						
Net (losses)/gains on financial assets at fair value through profit or loss	6	334,349	58,559	187,194	856,168	(29,588,936)
Net (losses)/gains on foreign exchange	6	77,131	(432,114)	(540)	2,626	26,822
Other income		1,189,397	422,660	230,740	-	508,119
<b>Total Investment Income/(Expense)</b>		<b>1,600,877</b>	<b>49,105</b>	<b>417,394</b>	<b>858,794</b>	<b>(29,053,995)</b>
<b>Expenses</b>						
Investment management fees	13	9,175	9,667	28,175	191,484	987,991
Administration fees	11	61,323	67,583	45,779	32,707	102,662
AIFM fees	10	43,768	47,150	32,303	24,673	29,213
Depository fees	12	42,728	45,703	12,589	22,306	50,177
Audit fees	15	50,092	19,349	15,236	38,782	10,019
Directors' fees		8,046	17,587	12,000	1,008	11,395
Organisation fees		-	-	-	-	29,715
ICAV service fees	13	145,333	136,383	85,395	71,356	21,105
Other expenses		132,848	222,306	10,381	102,326	45,618
<b>Total Operating Expenses</b>		<b>493,313</b>	<b>565,728</b>	<b>241,858</b>	<b>484,642</b>	<b>1,287,895</b>
<b>Net (Decrease)/Increase in Net Assets from Operations Attributable to Holders of Redeemable Participating Shares</b>		<b>1,107,564</b>	<b>(516,623)</b>	<b>175,536</b>	<b>374,152</b>	<b>(30,341,890)</b>

\* Milltrust Global Emerging Markets Fund launched on 16 January 2018 and therefore no comparison is presented in these financial statements.

There are no recognised gains or losses arising in the year other than the net (decrease)/increase in net assets from operations attributable to holders of redeemable participating shares. In arriving at the results of the financial year, all amounts above relate to continuing operations.

Approved by the Directors on 6 August 2019.

Director:   
Stephen Finn

Director:   
Peter O' Dwyer

The accompanying notes form an integral part of the financial statements.

**STATEMENT OF COMPREHENSIVE INCOME**  
**For the year ended 31 December 2017**

	Notes	MAI - Buy & Lease (Australia) AUD\$	MAI - Buy & Lease (New Zealand)* NZD\$	EICM South Asia Hospitality 1 USD\$	British Innovation Fund GBP£
<b>Investment Income</b>					
Net (losses)/gains on financial assets at fair value through profit or loss	6	(334,225)	-	84,596	(118)
Net (losses)/gains on foreign exchange	6	30,871	2,692	(158)	431
Other income		657,852	10,903	243,875	-
<b>Total Investment Income</b>		<b>354,498</b>	<b>13,595</b>	<b>328,313</b>	<b>313</b>
<b>Expenses</b>					
Investment management fees	13	20,852	23,898	30,268	27,606
Administration fees	11	58,242	57,336	36,783	36,983
AIFM fees	10	41,012	53,189	23,067	24,188
Depository fees	12	36,408	36,121	29,934	21,189
Audit fees	15	15,834	4,228	4,020	4,803
Directors' fees		27,516	31,624	15,516	23,995
Organisation fees		31,239	415,414	13,925	46,888
ICAV service fees	13	75,593	75,253	93,266	70,629
Other expenses		57,096	62,690	10,435	88,007
<b>Total Operating Expenses</b>		<b>363,792</b>	<b>759,753</b>	<b>257,214</b>	<b>344,288</b>
<b>Net (Decrease)/Increase in Net Assets from Operations Attributable to Holders of Redeemable Participating Shares</b>		<b>(9,294)</b>	<b>(746,158)</b>	<b>71,099</b>	<b>(343,975)</b>

\* MAI – Buy & Lease (New Zealand) launched on 26 January 2017.

There are no recognised gains or losses arising in the year other than the net (decrease)/increase in net assets from operations attributable to holders of redeemable participating shares. In arriving at the results of the financial year, all amounts above relate to continuing operations.

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES**  
**For the year ended 31 December 2018**

	<b>MAI - Buy &amp; Lease (Australia) AUD\$</b>	<b>MAI - Buy &amp; Lease (New Zealand) NZD\$</b>	<b>EICM South Asia Hospitality 1 USD\$</b>	<b>British Innovation Fund GBP£</b>	<b>Milltrust Global Emerging Markets Fund* USD\$</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Shares at the start of the year</b>	<b>30,179,558</b>	<b>37,762,005</b>	<b>2,054,363</b>	<b>14,579,535</b>	<b>-</b>
Issue of redeemable participating shares during the year	-	-	-	4,000,000	143,136,543
Redemption of redeemable participating shares during the year (Decrease)/increase in net assets attributable to holders of redeemable participating shares	-	-	-	-	-
	1,107,564	(516,623)	175,536	374,152	(30,341,890)
<b>Net Assets Attributable to Holders of Redeemable Participating Shares at the end of the year</b>	<b>31,287,122</b>	<b>37,245,382</b>	<b>2,229,899</b>	<b>18,953,687</b>	<b>112,794,653</b>

\* Milltrust Global Emerging Markets Fund launched on 16 January 2018 and therefore no comparison is presented in these financial statements.

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES**  
**For the year ended 31 December 2017**

	<b>MAI - Buy &amp; Lease (Australia) AUD\$</b>	<b>MAI - Buy &amp; Lease (New Zealand)* NZD\$</b>	<b>EICM South Asia Hospitality 1 USD\$</b>	<b>British Innovation Fund GBP£</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Shares at the start of the year</b>	<b>30,188,852</b>	<b>-</b>	<b>1,418,264</b>	<b>14,923,510</b>
Issue of redeemable participating shares during the year	-	38,508,163	565,000	-
Redemption of redeemable participating shares during the year	-	-	-	-
(Decrease)/increase in net assets attributable to holders of redeemable participating shares	(9,294)	(746,158)	71,099	(343,975)
<b>Net Assets Attributable to Holders of Redeemable Participating Shares at the end of the year</b>	<b>30,179,558</b>	<b>37,762,005</b>	<b>2,054,363</b>	<b>14,579,535</b>

\* MAI – Buy & Lease (New Zealand) launched on 26 January 2017.

STATEMENT OF CASH FLOWS

For the year ended 31 December 2018	MAI - Buy & Lease (Australia) AUD\$	MAI - Buy & Lease (New Zealand) NZD\$	EICM South Asia Hospitality 1 USD\$	British Innovation Fund GBP£	Milltrust Global Emerging Markets Fund* USD\$
<b>Cash flows from operating activities</b>					
(Decrease)/increase in net assets attributable to holders of redeemable participating shares	1,107,564	(516,623)	175,536	374,152	(30,341,890)
<b>Adjustments to reconcile net change in net assets resulting from operations to net cash provided by operating activities:</b>					
Payments on purchased investments	-	(29,167,054)	-	(2,507,197)	(155,898,206)
Proceeds from sold investments	-	-	-	-	13,512,141
Subsidiary expenses	123,677				
Net gains/(losses) on financial assets at fair value through profit or loss	(334,349)	(58,559)	(187,194)	(856,168)	29,588,936
<b>Changes in operating assets and liabilities:</b>					
Investment in securities	-	468,075	-	2,507,197	-
Other receivables	(1,805,867)	(385,839)	(229,110)	-	(42,212)
Administration fees	(68,604)	(11,607)	15,968	(27,662)	36,485
AIFM fees	1,094	975	253	527	-
Investment management fees	(1,537)	19,152	19,873	36,027	77,138
ICAV service fees	(28,861)	(6,614)	85,395	(4,291)	21,105
Other liabilities	10,622	151,998	100,720	80,195	105,982
Subscription in advance	-	-	-	(4,000,000)	-
<b>Net cash outflow from operating activities</b>	<b>(996,261)</b>	<b>(29,506,096)</b>	<b>(18,559)</b>	<b>(4,397,220)</b>	<b>(142,940,521)</b>
<b>Cash flows from financing activities</b>					
Proceeds from issue of redeemable shares	-	-	-	4,000,000	143,136,543
Payments on redemption of redeemable shares	-	-	-	-	-
<b>Net cash inflow provided by financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,000,000</b>	<b>143,136,543</b>
Net (decrease)/increase in cash and cash equivalents during the year	(996,261)	(29,506,096)	(18,559)	(397,220)	196,022
Cash and cash equivalents at beginning of year	999,981	37,632,100	3,286	4,714,364	-
<b>Cash and cash equivalents/(bank overdraft) at 31 December 2018</b>	<b>3,720</b>	<b>8,126,004</b>	<b>(15,273)</b>	<b>4,317,144</b>	<b>196,022</b>

\* Milltrust Global Emerging Markets Fund launched on 16 January 2018 and therefore no comparison is presented in these financial statements.

The accompanying notes form an integral part of the financial statements.

**STATEMENT OF CASH FLOWS**  
**For the year ended 31 December 2017**

	<b>MAI - Buy &amp; Lease (Australia) AUD\$</b>	<b>MAI - Buy &amp; Lease (New Zealand)* NZD\$</b>	<b>EICM South Asia Hospitality 1 USD\$</b>	<b>British Innovation Fund GBP£</b>
<b>Cash flows from operating activities</b>				
(Decrease)/increase in net assets attributable to holders of redeemable participating shares	(9,294)	(746,158)	71,099	(343,975)
<b>Adjustments to reconcile net change in net assets resulting from operations to net cash provided by operating activities:</b>				
Payments on purchased investments	(18,353,653)	-	(566,012)	(7,742,085)
Net gains/(losses) on financial assets at fair value through profit or loss	334,225	-	(84,596)	-
<b>Changes in operating assets and liabilities:</b>				
Investment in securities	1,451,500	(468,075)	-	(2,507,196)
Other receivables	(1,143,381)	(10,903)	(245,302)	-
Administration fees	58,242	57,336	36,783	35,053
Investment management fees	(4,836)	1,904	14,968	12,606
ICAV service fees	93,931	75,253	121,137	40,731
Other liabilities	(31,923)	214,580	72,785	219,230
Subscription in advance	-	-	-	4,000,000
<b>Net cash outflow from operating activities</b>	<b>(17,605,189)</b>	<b>(876,063)</b>	<b>(579,138)</b>	<b>(6,285,636)</b>
<b>Cash flows from financing activities</b>				
Proceeds from issue of redeemable shares	-	38,508,163	565,000	-
Payments on redemption of redeemable shares	-	-	-	-
<b>Net cash inflow provided by financing activities</b>	<b>-</b>	<b>38,508,163</b>	<b>565,000</b>	<b>-</b>
Net (decrease)/increase in cash and cash equivalents during the year	(17,605,189)	37,632,100	(14,138)	(6,285,636)
Cash and cash equivalents at beginning of year	18,605,170	-	17,424	11,000,000
<b>Cash and cash equivalents at 31 December 2017</b>	<b>999,981</b>	<b>37,632,100</b>	<b>3,286</b>	<b>4,714,364</b>

\* MAI – Buy & Lease (New Zealand) launched on 26 January 2017.

The accompanying notes form an integral part of the financial statements.



**NOTES TO THE FINANCIAL STATEMENTS**  
**For year ended 31 December 2018**

**1. ORGANISATION**

Milltrust International Managed Investments ICAV (the “ICAV”) was registered in Ireland under the Irish Collective Asset - management Vehicle Act 2015 (the “ICAV Act 2015”) as an umbrella Irish collective asset - management vehicle with variable capital and segregated liability between Sub-Funds on 10 February 2016.

The ICAV is registered and authorised in Ireland by the Central Bank and is marketed solely to qualifying investors pursuant to the Alternative Investment Fund (“AIF”) regulations. The ICAV is an Irish collective asset-management vehicle with variable capital and having segregated liability between its Sub-Funds and is structured as an umbrella collective asset-management vehicle in that the share capital of the ICAV may be divided into different Share Classes with one or more Share Classes representing a separate Sub-Fund of the ICAV.

The MAI - Buy & Lease (Australia) Sub-Fund launched on 30 September 2016, and its investment objective is to provide investors with capital appreciation and income through investment in agricultural property and water rights located in Australia. Upon acquisition, property and water rights will then be leased to local operators. The Sub-Fund may also invest in equities (which may be rated or unrated and listed or unlisted) which provide exposure to Australia agricultural companies. The MAI - Buy and Lease (Australia) Sub-Fund may either invest directly in property, or make loans and or investments into subsidiary entities which have been formed with the purpose of investing into such properties. As at 31 December 2018, the Sub-Fund has two subsidiaries - Milltrust Agricultural Investments (Ireland) Limited and Milltrust BLA LLP, of which the Sub-Fund owns 100%, either directly or indirectly. These are investment vehicles established to provide exposure to farmland assets and farmland companies in Australia.

The MAI - Buy and Lease (New Zealand) Sub-Fund launched on 26 January 2017, its investment objective being to provide investors with capital appreciation and income consistent with investment in agricultural property and water rights located in New Zealand. Upon acquisition, property and water rights will then be leased to local operators. The Sub-Fund may also invest in equities (which may be rated or unrated and listed or unlisted) which provide exposure to agricultural companies in New Zealand.

The EICM South Asia Hospitality 1 Sub-Fund launched on 2 September 2016, its investment objective being to provide investors with capital appreciation through investment in securities issued by a body corporate whose main activity is investing in, dealing in or redeveloping property.

The British Innovation Fund launched on 29 November 2016, with an investment objective to seek long term returns through its investment in a portfolio of unquoted United Kingdom (“UK”) companies involved in research and development activities based in the UK (including, but not limited to, biotechnology, life sciences, agricultural technologies, healthcare, medicine, physics and mathematics).

The Milltrust Global Emerging Markets Fund (“GEMs”) was approved on 31 August 2017 and launched on the 16 January 2018, its investment objective is to achieve capital appreciation by investing in other investment funds. The Sub-Fund will pursue its investment objective by investing in a limited portfolio of investment funds which invest primarily in emerging markets or to equities of companies which have operations in, exposure to, or derive part of their revenue from such markets, wherever they may be listed.

**2. SIGNIFICANT ACCOUNTING POLICIES**

*(a) Statement of Compliance*

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and interpretations as adopted by the European Union. The financial statements have also been prepared in accordance with the Irish Collective Asset-management Vehicles Act 2015 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*(b) Basis of preparation*

The financial statements have been prepared in the respective functional currency of the individual Sub-Funds, Australian Dollar (AUD\$) for the MAI - Buy & Lease (Australia) Sub-Fund, New Zealand Dollar (NZD\$) for the MAI - Buy & Lease (New Zealand) Sub-Fund, United States Dollar (USD\$) for EICM South Asia Hospitality 1 Sub-Fund, Great British Pounds (GBP£) for the British Innovation Fund and United States Dollar (USD\$) for the Milltrust Global Emerging Markets Sub-Fund. The Board of Directors considers these currencies as the currencies that most faithfully represent the economic effects of the underlying transactions, events and conditions. All values are rounded to the nearest whole currency unit (except Net Asset Value per share and shares in issue).

The Directors have made an assessment of each Sub-Fund's ability to continue as a going concern and are satisfied that the Sub-Funds have the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast doubt upon each Sub-Fund's ability to continue as a going concern. Therefore the financial statements are prepared on a going concern basis.

The financial statements are prepared on a fair value basis for financial assets and financial liabilities at fair value through profit or loss.

Other financial assets and financial liabilities are stated at amortised cost or redemption amount (redeemable participating shares). The Directors are satisfied that the ICAV meets the essential elements of an investment entity and also has the majority of the typical characteristics of an investment entity in accordance with IFRS 10.

As the MAI - Buy and Lease (Australia) Sub-Fund's investment in its subsidiaries is not held for trading, it is presented on an aggregate basis in the financial statements within "fair value" of financial assets, as all are managed together on a fair value basis. The Sub-Funds classify unconsolidated subsidiaries into financial assets at fair value through profit or loss by such designation on initial recognition. Changes in fair value of the subsidiaries are recorded in the statement of comprehensive income.

*(c) Use of estimates and judgements*

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the year ending 31 December 2018 is included in Note 8 and relates to the determination of fair value of financial instruments with significant unobservable inputs.

*(d) Changes in accounting policies*

Standards, interpretations and amendments issued that are not effective and have not been early adopted:

IFRIC 23 comes into effect for annual periods beginning on or after 1 January 2019. It aims to clarify the accounting uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profits, losses, tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. The ICAV has not adopted early application of IFRIC 23.

The ICAV adopted IFRS 9 Financial Instruments from 1 January 2018. IFRS 9 replaced IAS 39 Financial Instruments: Recognition and Measurement. It includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. Also, the Sub-Funds have early adopted Prepayment Features with Negative Compensation (Amendments to IFRS 9), issued in October 2017. A number of other new standards are also effective from 1 January 2018 but they do not have a material effect on the Sub-Funds' financial statements. As permitted by

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### For year ended 31 December 2018

## 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (d) Changes in accounting policies (Continued)

the transition provisions of IFRS 9, comparative information throughout these financial statements has not generally been restated to reflect the requirements of the standard.

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. As a result of the adoption of IFRS 9, the Sub-Funds have adopted consequential amendments to IAS 1 Presentation of Financial Statements, which require:

- impairment of financial assets to be presented in a separate line item in the statement of comprehensive income. Under IAS 39, impairment was recognised when losses were incurred. The Sub-Funds did not previously report any incurred losses; and
- separate presentation in the statement of comprehensive income of interest revenue calculated using the effective interest method. Previously, the Sub-Funds disclosed this amount in the notes to the financial statements.

Additionally, the Sub-Funds have adopted consequential amendments to IFRS 7 Financial Instruments: Disclosures, which are applied to disclosures about 2018 but have not generally been applied to comparative information. The adoption of IFRS 9 had no material impact on the net assets attributable to holders of redeemable shares of the Sub-Funds.

### (i) Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, Fair Value Through Other Comprehensive Income ("FVOCI") and Fair Value Through Profit and Loss ("FVTPL"). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale. Under IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Sub-Fund's financial assets and financial liabilities as at 1 January 2018.

The effect of adopting IFRS 9 on the carrying amounts of financial assets at 1 January 2018 relates solely to the new impairment requirements.

	Original classification	New classification	Original Carrying amount under IAS 39				New Carrying amount under IFRS 9			
	under IAS 39	Under IFRS 9	AUD\$	NZD\$	USD\$	GBP£	AUD\$	NZD\$	USD\$	GBP£
Financial assets										
Financial assets	Designated at FVTPL	Mandatorily at FVTPL	27,964,407	-	2,100,122	11,742,085	27,964,407	-	2,100,122	11,742,085
Cash and cash equivalents	Loans and receivables	Amortised cost	999,981	37,632,100	3,286	4,714,364	999,981	37,632,100	3,286	4,714,364
Other receivables	Loans and receivables	Amortised cost	1,532,175	10,903	348,628	-	1,532,175	10,903	348,628	-
Total financial assets			30,496,563	37,643,003	2,452,036	16,456,449	30,496,563	37,643,003	2,452,036	16,456,449
Financial liabilities										
Other liabilities	Loans and receivables	Amortised cost	123,482	204,009	188,008	273,594	123,482	204,009	188,008	273,594
Total financial liabilities			123,482	204,009	188,008	273,594	123,482	204,009	188,008	273,594

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*(d) Changes in accounting policies (Continued)*

*(ii) Impairment of financial assets*

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognised earlier than under IAS 39.

The Sub-Funds have determined that the application of IFRS 9's impairment requirement at 1 January 2018 results in no impairment on Cash and Cash equivalents or Debtors as the probability of default is close to zero as these instruments have a low risk of default and counterparties have a strong capacity to meet contractual obligations in the near term.

*(iii) Transition*

- Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively, except as described below.

Comparative periods have not generally been restated. There were no differences in the carrying amounts of financial assets resulting from the adoption of IFRS 9 as at 1 January 2018. The information presented for 2017 does not reflect the requirements of IFRS 9, but rather those of IAS 39.

The ICAV has used the exemption not to restate comparative periods.

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application:

- The determination of the business model within which a financial asset is held.
- The revocation of previous designations of certain financial assets as measured at FVTPL.

*Financial instruments*

*(i) Classification – policy from 1 January 2018*

On initial recognition, the Sub-Fund's classifies financial assets as measured at amortised cost or FVTPL.

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

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are Solely Payments of Principal and Interest ("SPPI").

All other financial assets and financial derivative liabilities of the Sub-Funds are measured at FVTPL including transferable securities, investment funds, derivative financial assets and derivative financial liabilities.

*(ii) Recognition and initial measurement*

Purchases and sales of financial instruments are accounted for at trade date, the date that the Sub-Fund becomes a party to the contractual provisions of the instruments. Realised gains and losses on disposals of financial assets are calculated on an individual asset basis. Financial instruments categorised at fair value through profit or loss are measured initially at transaction price, with transaction costs for such instruments being recognised directly in the statement of comprehensive income.

Financial instruments, other than those at fair value through profit or loss, are measured initially at cost plus transaction costs that are directly attributable to their acquisition or issue.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(d) *Changes in accounting policies (Continued)*

(iii) Subsequent measurement

After initial measurement, the Sub-Funds measure financial assets, including investments in subsidiaries, which are classified as at fair value through profit or loss at their fair values with changes in their fair value recognised in “Net losses on financial assets at fair value through profit or loss” in the Statement of Comprehensive Income. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction.

Subsequent measurement of fair value is determined in accordance with the valuation principles set out in the prospectus of the ICAV, and, in particular:

Agricultural farmland property – investments in subsidiaries which own farmland are subject to annual review through valuations carried out by external, independent, third party valuers (“external valuers”). Such valuations will be based on an open market valuation, in accordance with the basis of Market Value, as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards, the Australian Property Institute or Property Institute of New Zealand, as appropriate, and the external valuer shall be requested to issue a signed and dated valuation certificate identifying the Property and stating:

- a. market value of the Property;
- b. market rental value of the Property;
- c. aggregated rental income;
- d. extent to which it is occupied;
- e. for developing properties, the extent to which any allowance has been made in the valuation for any agreed sale or guaranteed rental when the development is completed;
- f. any sums included for work in progress; and
- g. the net value (including but not limited to cash flows, accruals, assets and liabilities) of the Property as at the date of the relevant Valuation Point (in the form of a single figure).

Unquoted investments - the value of any other investment which is not quoted, listed or normally dealt in on a regulated market shall be the probable realisable value estimated with care and in good faith by the AIFM or an external valuer, as its delegate. Where independent third party valuations are available, these will be taken into account in determining the fair value of such investments, however, the AIFM will also have regard to recommendations from the investment sub-advisers, who apply the International Private Equity and Venture Capital Valuation Guidelines issued by the International Private Equity and Venture Capital Board in making their assessment of the fair value of these assets.

*Business Model Assessment*

In making an assessment of the objective of the business model in which a financial asset is held the ICAV considers all of the relevant information about how the business is managed, including:

- The documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- How the performance of the portfolio’s is evaluated and reported to the ICAV’s management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*(d) Changes in accounting policies (Continued)*

*Business Model Assessment (Continued)*

- How the Investment Manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Sub-Funds continuing recognition of the assets.

The Sub-Funds have determined that it has two business models.

- Held-to-collect business model: this includes cash and cash equivalents and receivables. These financial assets are held to collect contractual cash flow.
- Other business model: this includes investment funds. These financial assets are managed and their performance is evaluated, on a fair value basis.

*Assessment whether contractual cash flows are SPPI*

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition.

'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the ICAV considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the ICAV considers:

- Contingent events that would change the amount or timing of cash flows;
- Leverage features;
- Prepayment and extension features;
- Terms that limit the Sub-Funds claim to cash flows from specified assets (e.g. non-recourse features); and
- Features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

*Reclassifications*

Financial assets are not reclassified subsequent to their initial recognition unless the ICAV were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*(d) Changes in accounting policies (Continued)*

*Measurement*

Financial instruments are measured initially at fair value (transaction price) plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately, while transaction costs on other financial instruments are amortised. Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with fair value changes recognised in the statement of comprehensive income.

Financial assets classified as receivables are carried at amortised cost using the effective interest method.

These include receivables for securities sold which are held for collection, securities purchased not yet delivered to the ICAV, and other receivables. These are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate, less provision for impairment. At each reporting date, the ICAV shall measure the loss allowance at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since recognition. If at the reporting date, the credit risk has not increased significantly since initial recognition, the ICAV shall measure loss allowance at the amount equal to 12 months expected credit losses, or shorter if the receivable is expected to settle in less than 12 months.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost. Financial liabilities arising from the Redeemable Participating Shares issued by the ICAV are carried at the redemption amount representing the shareholders right to a residual interest in the ICAV's assets.

*Fair value measurement principles*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the ICAV has access at that date. The fair value of a liability reflects its non-performance risk. When available, the ICAV measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The ICAV measures instruments quoted in an active market at mid-price, because the price provides a reasonable approximation of the exit price. If there is no quoted price in an active market, then the ICAV uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Sub-Funds recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the changes have occurred.

*Derecognition*

The ICAV derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, are surrendered, or it transfers the financial asset. The ICAV uses the "first in first out" method to determine the realised gains and losses on derecognition. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

The amortised cost of a financial asset is the amount at which the instrument is measured at initial recognition adjusted for initial direct costs, minus principal repayments, plus or minus the cumulative amortisation, using the effective interest rate method of any difference between the initial amount recognised and the maturity amount minus the reduction for impairment.

*Impairment*

*(i) Policy applicable from 1 January 2018*

The ICAV recognises loss allowances for ECLs on financial assets measured at amortised cost.

The ICAV measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*(d) Changes in accounting policies (Continued)*

*Impairment (Continued)*

*(i) Policy applicable from 1 January 2018 (Continued)*

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the ICAV considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the ICAV's historical experience and informed credit assessment and including forward-looking information.

The ICAV assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The ICAV considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the ICAV in full, without recourse by the ICAV to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The ICAV considers a financial asset to have low credit risk when the credit rating of the counterparty is equivalent to the globally understood definition of 'investment grade'. The ICAV considers this to be Baa3 or higher per Moody's or BBB- or higher per Standard & Poor's.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the ICAV is exposed to credit risk.

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognised earlier than under IAS 39. The adoption of IFRS 9 had no material impact on the net assets attributable to holders of redeemable participating shares of the Sub-Fund's.

*Policy applicable before 1 January 2018*

Financial assets not classified at FVTPL were assessed at each reporting date to determine whether there was objective evidence of impairment. A financial asset or a group of financial assets was 'impaired' if there was objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset(s) and that loss event(s) had an impact on the estimated future cash flows of that asset(s) that could be estimated reliably.

Objective evidence that financial assets were impaired included significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of the amount due on terms that the ICAV would not otherwise consider, indications that a borrower or issuer would enter bankruptcy, disappearance of an active market for a security or adverse changes in the payment status of the borrower.

An impairment loss in respect of a financial asset measured at amortised cost was calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses were recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continued to be recognised. If an event occurring after the impairment was recognised caused the amount of impairment loss to decrease, then the decrease in impairment loss was reversed through profit or loss.

*Offsetting financial instruments*

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.



**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*(d) Changes in accounting policies (Continued)*

*IFRS 15 Revenue from Contracts with Customers*

IFRS 15 “Revenue from Contracts with Customers” was issued in May 2014 and became effective for periods beginning on or after 1 January 2018. The new standard did not have any impact on the ICAV’s financial position, performance or disclosures in its financial statements.

There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 January 2018 that have a significant impact on the Sub-Funds.

*New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2018 and not early adopted*

IFRS 16 “Leases” was issued in January 2016 and will become effective for period beginning on or after 1 January 2019. The new standard is not expected to have any impact on any Sub-Fund’s financial position, performance or disclosures in its financial statements.

*New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2018 and not early adopted*

IFRS 17 “Insurance Contracts” was issued in May 2017 and will become effective for accounting periods beginning on or after 1 January 2021. The new standard is not expected to have any impact on the ICAV’s financial position, performance or disclosures in its financial statements.

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

*(e) Cash and cash equivalents and bank overdrafts*

Cash comprises of current deposits and bank overdrafts with banks and other financial institutions. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. As at 31 December 2018 no cash equivalents were held by the Sub-Funds.

*(f) Foreign currency translation*

Assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the date of the financial statements. Transactions in foreign currencies are translated at the rates of exchange prevailing at the time of the transaction. Exchange gains or losses are included in the statement of comprehensive income.

The individual Sub-Funds’ functional and presentation currencies are as noted in 2(a).

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(g) *Redeemable participating shares*

All redeemable participating shares are redeemable at the shareholder's option and are classified as financial liabilities. The redeemable participating shares can be put back to the Sub-Fund (as described in note 7(d)) for cash equal to a proportionate share of the Sub-Fund's net asset value. Each redeemable participating share is carried at the redemption amount that is payable at the statement of financial position date if the holders of participating shares exercised its right to put the share back to the Sub-Fund. The existence of the option for the holders of redeemable shares to put the share back to the Sub-Fund in exchange for cash requires the Sub-Fund to classify the net assets attributable to holders of participating shares as liabilities. The amendment to IAS 32 requires reclassification of puttable financial instruments to equity provided the financial instruments have particular features and meet specific conditions, including that all financial instruments in the class of instruments that is subordinate to all other instruments have identical features. As the Sub-Fund's redeemable participating shares are not the most subordinated, the amendment has not resulted in any change in the classification of the Sub-Fund's redeemable participating shares. The liability to shareholders is presented on the Statement of Financial Position as "Net assets attributable to holders of redeemable participating shares" and is determined based on the residual assets of the Sub-Fund after deducting the Sub-Fund's other liabilities.

(h) *Interest income and expenses*

Interest income and interest expenses on cash and cash equivalents and bank overdrafts are accrued using the original effective interest rate and classified to the interest income and interest expense line items respectively within the statements of comprehensive income. Interest income is recognised on a gross basis.

Interest income of AUD\$ 1,399,291 is included in Other income on the face of the statement of comprehensive income for MAI – BUY & Lease (Australia).

(i) *Gains and losses on financial assets and liabilities at fair value through profit or loss*

Gains and losses from financial instruments at fair value through profit or loss includes all realised gains/losses on transferable securities and financial derivative instruments, unrealised gains/losses from fair value changes and foreign exchange differences. Realised gains and losses are based on the FIFO method where financial assets are not separately identifiable.

(j) *Expenses*

All expenses, including management fees, administration fees, audit fees, incentive fees, insurance fees, legal fees, depositary fees are recognised in the statement of comprehensive income on an accruals basis.

(k) *Net asset value per share*

The net asset value ("NAV") per share as at the relevant year end is calculated by dividing the NAV attributable to each class by the number of shares in issue in that class of the Sub-Fund at the year end.

(l) *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis for gains and losses from financial instruments at fair value through profit and loss and foreign exchange gains and losses.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

(m) *Transactions costs*

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include the bid-ask spread, fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income.

(n) *Loans*

Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Sub-Funds include in this category amounts relating to other short-term receivables.

On 15 October 2018 MAI Buy & Lease (Australia) Sub-Fund entered into a term loan agreement with Milltrust BLA LLP with a final repayment date of 31 December 2026.

(o) *Dividends*

Dividends on securities are recognised as income, gross of withholding taxes on the dates the securities are first quoted "ex-dividend", to the extent that information thereon is available to the ICAV.

(p) *Subsidiaries and associates*

"Subsidiaries" are investees controlled by a Sub-Fund. An "associate" is an investee that is significantly influenced but not controlled. The ICAV "controls" an investee if it is exposed to, or has the 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 Sub-Funds are investment entities and measure investments in its subsidiaries and associates at fair value through profit or loss. In determining whether the Sub-Funds meet the definition of an investment entity, management considered the ownership structure as a whole. In particular, when assessing the existence of investment exit strategies and whether the Sub-Funds have more than one investment, management took into consideration the fact that the subsidiary was formed in connection with the Sub-Fund in order to hold investments on behalf of the Sub-Fund. Management concluded that the Sub-Fund meets the definition of an investment entity and should not consolidate the subsidiary and associate.

**3. DIVIDEND AND DISTRIBUTION POLICY**

The Directors may declare and pay dividends, in respect of the share classes of the respective Sub-Funds as described in the supplements to the Sub-Funds (or on such other basis and at such other times as the Directors may in their discretion decide).

The dividends may be paid out of the capital of the respective Sub-Funds in addition to, or in the absence of, income from Sub-Fund investments. In respect of each dividend declared, the Sub-Fund may determine if, and to what extent, such dividend is to be paid out of the capital of the respective Sub-Fund. There were no dividends or distributions paid during the year (2017: Nil).

**4. TAXATION**

Under current law and practice the ICAV qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended, (the "Taxes Consolidation Act"). On that basis, the ICAV is liable but not chargeable to Irish tax in respect of its income and gains. However, Irish tax may arise on the occurrence of a "chargeable event". Generally, a chargeable event arises on any distribution, redemption, repurchase, cancellation; transfer of shares or the holding of shares at the end of each eight year period beginning with the acquisition of such shares.

A chargeable event does not include:

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**For year ended 31 December 2018**

**4. TAXATION (Continued)**

- (i) any transactions in relation to shares held in a recognised clearing system as designated by order of the Revenue Commissioners of Ireland; or
- (ii) an exchange of shares representing one Sub-Fund for another Sub-Fund of the ICAV; or
- (iii) an exchange of shares arising on a qualifying amalgamation or reconstruction of the ICAV with another fund; or
- (iv) certain exchanges of shares between spouses and former spouses.

No tax will arise on the ICAV in respect of chargeable events relating to:

- (i) a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, is held by the ICAV;
- (ii) certain exempted Irish tax resident shareholders who have provided the ICAV with the necessary signed statutory declarations; or
- (iii) any transaction (which might otherwise be a chargeable event) in relation to shares held in a recognised clearing system as designated by order of the Irish Revenue commissioners (such as CREST).

The Sub-Funds are entitled to deduct any tax arising from payments to the shareholder or where no payment is involved to cancel or appropriate sufficient shares of the shareholder to meet the tax liability.

Although the Sub-Funds are not chargeable to Irish tax, the Sub-Funds may be liable for any taxes which may be withheld at source in other countries in respect of income or gains derived from their investments.

**5. CASH AND CASH EQUIVALENTS & BANK OVERDRAFT**

All the cash and cash equivalents were held with Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A. at 31 December 2018. Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A has a Moody's credit rating of A1 (2017: A1).

**6. NET GAIN/(LOSS) ON FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS AND NET GAIN/(LOSS) ON FOREIGN EXCHANGE**

As required by the Alternative Investment Fund Managers Directive the following tables disclose separately the realised gains, realised losses, unrealised appreciation and unrealised depreciation from financial assets and liabilities at fair value through profit or loss:

<b>Year ended 31 December 2018</b>	<b>MAI - Buy &amp; Lease (Australia)</b>	<b>MAI - Buy &amp; Lease (New Zealand)</b>	<b>EICM South Asia Hospitality 1</b>	<b>British Innovation Fund</b>	<b>Milltrust Global Emerging Markets Fund*</b>
	<b>AUD\$</b>	<b>NZD\$</b>	<b>USD\$</b>	<b>GBP£</b>	<b>USD\$</b>
Net realised gain	5,991	1,794	124	744	290,340
Net realised loss	-	(698)	(1)	(34)	(669,983)
<b>Total realised gains/(losses)</b>	<b>5,991</b>	<b>1,096</b>	<b>123</b>	<b>710</b>	<b>(379,643)</b>
Net unrealised appreciation	405,489	58,559	364,643	858,084	2,982
Net unrealised depreciation	-	(433,210)	(178,112)	-	(29,185,452)
<b>Total unrealised (depreciation)/appreciation</b>	<b>405,489</b>	<b>(374,651)</b>	<b>186,531</b>	<b>858,084</b>	<b>(29,182,470)</b>
<b>Total</b>	<b>411,480</b>	<b>(373,555)</b>	<b>186,654</b>	<b>858,794</b>	<b>(29,562,114)</b>

\* Milltrust Global Emerging Markets Fund launched on 16 January 2018 and therefore no comparison is presented in these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**For year ended 31 December 2018**

**6. NET GAIN/(LOSS) ON FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS AND NET GAIN/(LOSS) ON FOREIGN EXCHANGE (Continued)**

<b>Year ended 31 December 2017</b>	<b>MAI - Buy &amp; Lease (Australia)</b>	<b>MAI - Buy &amp; Lease (New Zealand)*</b>	<b>EICM South Asia Hospitality 1</b>	<b>British Innovation Fund</b>
	<b>AUD\$</b>	<b>NZD\$</b>	<b>USD\$</b>	<b>GBP£</b>
Net realised gain	12,858	3,065	7	-
Net realised loss	-	-	-	(222)
<b>Total realised gains/(losses)</b>	<b>12,858</b>	<b>3,065</b>	<b>7</b>	<b>(222)</b>
Net unrealised appreciation	18,013	-	84,596	535
Net unrealised depreciation	(334,225)	(373)	(165)	
<b>Total unrealised (depreciation)/appreciation</b>	<b>(316,212)</b>	<b>(373)</b>	<b>84,431</b>	<b>535</b>
<b>Total</b>	<b>(303,354)</b>	<b>2,692</b>	<b>84,438</b>	<b>313</b>

\* MAI – Buy & Lease (New Zealand) launched on 26 January 2017.

**7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS**

The Investment Manager (*prior to 17 May 2018* Sturgeon Ventures LLP) and (*from 17 May 2018* Milltrust International LLP) in consultation with the AIFM monitors the risk parameters and volatility of individual positions and each Sub-Fund's aggregate portfolio.

These financial instruments contain various degrees of off-balance sheet risk, including both market and credit risk.

Market risk is the risk of potential adverse changes to the value of the financial instruments because of changes in market conditions, such as interest and currency rate movements and volatility in commodity or security prices. Credit risk is the risk of the potential inability of counterparties to perform the terms of the contracts, which may be in excess of the amounts recorded by the Sub-Funds. The Sub-Funds are also exposed to liquidity and currency risks as further described below.

While the Investment Manager generally seeks to mitigate certain portfolio risks in an effort to increase the proportion of each Sub-Fund's return attributable to perceived high value-added risk exposures, the Investment Manager does not attempt to hedge all market or other risks inherent in the Sub-Funds' positions.

Due to the nature of the Sub-Funds' interest in companies, the Sub-Funds' risk with respect to such transactions is limited to its capital balance or capital commitments where such applies in each company.

The Sub-Funds may invest a portion of their assets in investments not denominated in the base currency of that Sub-Fund, the prices of which are determined with reference to currencies other than the base currency. The Sub-Funds, however, value their investments in the base currency of the Sub-Fund. The Sub-Funds may or may not seek to hedge all or any portion of their foreign currency exposure. To the extent the Sub-Fund's investments are not hedged, the value of the Sub-Fund's assets will fluctuate against the base currency exchange rates as well as the price changes of the Sub-Fund's investments in the various local markets and currencies.

Each Sub-Fund is exposed to a variety of risks. The risks which are discussed in this note to the financial statements are not a comprehensive list of all risks of the Sub-Fund. Reference to the Prospectus should also be made in this regard.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (Continued)**

Whereas certain risks (such as market risk, counterparty risk and liquidity risk) apply to all Sub-Funds, certain other risks are specific to one (or more) Sub-Funds, and these are described separately in the notes below.

**(a) Market risk**

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates and foreign exchange rates.

The Sub-Funds invest substantially all of their assets in companies as described in note 1. Market risk represents the potential loss that can be caused by a change in the market value of the companies.

**(i) Market price risk**

Each Sub-Fund's investments are constantly monitored by the Sub-Fund's Investment Manager. During 2018, the strategic asset allocation has remained largely stable, as was also the case in 2017.

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate as a result of interest rate changes.

The majority of each Sub-Fund's financial assets and liabilities are non-interest bearing. With the exception of the MAI - Buy & Lease (New Zealand), the Sub-Funds are not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates on these financial assets and liabilities. Any excess cash and cash equivalents are invested at short-term market interest rates and are used as an additional source of liquidity. Cash held as at 31 December 2018 and 31 December 2017 was substantially invested subsequent to year end and interest rates on cash accounts are near zero and expected to remain as such.

The MAI - Buy & Lease (New Zealand) is exposed to interest rate risk on cash balances in the amount of NZD\$8,126,004 (2017:NZD\$37,632,100). An increase of 1% in interest rates as at the reporting date would have increased the net assets attributable to holders of redeemable participating shares and changes in net assets attributable to holders of redeemable participating shares in the Sub-Fund by NZD\$81,260 (2017:NZD\$376,321). A decrease of 1% would have an equal but opposite effect.

Cash held as at 31 December 2018 and 2017 was substantially invested subsequent to year end and interest rates on cash accounts were near zero.

<b>MAI - Buy &amp; Lease (Australia)</b>			
<b>31-Dec-18</b>			
	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>over 3 months</b>
	<b>AUD\$</b>	<b>AUD\$</b>	<b>AUD\$</b>
Cash and cash equivalents	3,720	-	-
Loan to Milltrust BLA LLP	-	-	17,421,612
	<b>3,720</b>	<b>-</b>	<b>17,421,612</b>

<b>British Innovation Fund</b>			
<b>31-Dec-18</b>			
	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>over 3 months</b>
	<b>GBP£</b>	<b>GBP£</b>	<b>GBP£</b>
Cash and cash equivalents	4,317,144	-	-
	<b>4,317,144</b>	<b>-</b>	<b>-</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**For year ended 31 December 2018**

**7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (Continued)**

**(iii) Currency risk**

Assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the date of the financial statements. Transactions in foreign currencies are translated at the rates of exchange prevailing at the time of the transaction. Exchange gains or losses are included in the statement of comprehensive income. Such fluctuations are included in the net (losses/gains) on foreign exchange. The table below summarises the Sub-Funds' material exposure to currency risks.

**At 31 December  
2018**

	<b>MAI - Buy and Lease (Australia) AUD\$</b>	<b>MAI - Buy and Lease (New Zealand) NZD\$</b>	<b>EICM South Asia Hospitality 1 USD\$</b>	<b>British Innovation Fund GBP£</b>	<b>Milltrust Global Emerging Markets Fund* USD\$</b>
<b>Assets</b>					
Australian Dollar	-	-	-	(1,276)	-
Euro	-	13,413	-	191,043	98,881
US Dollar	-	(283)	-	-	-
South African Rand	-	-	-	-	(6,500)
British Pound	-	-	-	-	(5,102)
Indian Rupee	-	-	2,287,316	-	-
<b>Total assets</b>	<b>-</b>	<b>13,130</b>	<b>2,287,316</b>	<b>189,767</b>	<b>87,279</b>

**At 31 December  
2017**

	<b>MAI - Buy and Lease (Australia) AUD\$</b>	<b>MAI - Buy and Lease (New Zealand)* NZD\$</b>	<b>EICM South Asia Hospitality 1 USD\$</b>	<b>British Innovation Fund GBP£</b>
<b>Assets</b>				
Euro	101,774	17,032	-	24,825
British Pound	6,922	6,137	-	-
Indian Rupee	-	-	2,100,122	-
<b>Total assets</b>	<b>108,696</b>	<b>23,169</b>	<b>2,100,122</b>	<b>24,825</b>

\* Milltrust Global Emerging Markets Fund launched on 16 January 2018 and therefore no comparison is presented in these financial statements.

\* MAI – Buy & Lease (New Zealand) launched on 26 January 2017.

Management have determined the Sub-Funds have foreign currency exposure where there has been an investment in a currency other than the base currency of the Sub-Fund. The EICM South Asia Hospitality 1 Sub-Fund has invested through Indian Rupee while the Sub-Fund's base currency is USD\$ resulting in the exposure presented above. The MAI – Buy & Lease (Australia) Sub-Fund, the British Innovation Fund, MAI – Buy and Lease (New Zealand) and Milltrust Global Emerging Markets Fund have invested in their respective base currencies, resulting in no foreign currency exposures on their investments.

The Sub-Funds are exposed to foreign exchange risk on cash balances.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (Continued)**

**(iii) Currency risk (Continued)**

At year end, had the base currency of the Sub-Fund strengthened by 5% in relation to other relevant currency with all other variables held constant, net assets attributable to holders of redeemable participating shares would have increased by the amount shown below.

**31 December 2018**

**5% Increase**

	<b>MAI - Buy and Lease (Australia)</b>	<b>MAI - Buy and Lease (New Zealand)</b>	<b>EICM South Asia Hospitality 1</b>	<b>British Innovation Fund</b>	<b>Milltrust Global Emerging Markets Fund*</b>
	<b>AUD\$</b>	<b>NZD\$</b>	<b>USD\$</b>	<b>GBP£</b>	<b>USD\$</b>
Impact of change in exchange rate	-	657	114,366	9,488	4,364

**31 December 2017**

**5% Increase**

	<b>MAI - Buy and Lease (Australia)</b>	<b>MAI - Buy and Lease (New Zealand) *</b>	<b>EICM South Asia Hospitality 1</b>	<b>British Innovation Fund</b>
	<b>AUD\$</b>	<b>NZD\$</b>	<b>USD\$</b>	<b>GBP£</b>
Impact of change in exchange rate	5,435	1,158	105,006	1,241

\* Milltrust Global Emerging Markets Fund launched on 16 January 2018 and therefore no comparison is presented in these financial statements.

\* MAI – Buy & Lease (New Zealand) launched on 26 January 2017.

A 5% weakening of the base currency against the relevant currencies would have resulted in an equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

**(b) Credit risk**

Each Sub-Fund may be subject to the risk of the inability of any counterparty to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes. Financial assets and other assets which potentially expose the Sub-Fund to credit risk consist principally of cash balances.

The extent of a Sub-Fund's exposure to credit risk in respect of these assets approximates their carrying value as recorded in a Sub-Fund's statement of financial position.

**(i) Concentration of risk**

As of 31 December 2018, the Sub-Funds maintain cash balances with Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A. As at 31<sup>st</sup> December 2018, the Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A had a Standard & Poor's ("S&P") long-term credit rating of A and a short-term credit rating of A-1 (2017: A-1).

At 31 December 2018 the amounts subject to this exposure were the balances of cash and cash equivalents in note 5. Credit risk is managed by monitoring the credit rating of the depositary as the principal banking counterparty.

At 31 December 2018 there was no loss allowance based on 12-month expected credit losses under IFRS 9.



**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (Continued)**

**(c) Liquidity risk**

Liquidity risk is defined as the risk that each Sub-Fund may not be able to settle or meet its obligations on time or at a reasonable price. The Sub-Funds may invest part or all of their assets in cash or cash equivalents for the purposes of maintaining liquidity to meet fees and expenses as they arise. The Sub-Funds offer limited redemption rights to investors. The MAI – Buy & Lease (Australia), MAI Buy & Lease (New Zealand) and British Innovation Fund do not permit redemptions within the first ten years after subscription, unless payments of a redemption can be met by new subscriptions. Investors in the EICM South Asia Hospitality 1 Fund have no automatic right of redemption and any return of capital is at the discretion of the Directors. Milltrust Global Emerging Markets Fund, redemptions may at the discretion of the Directors be permitted on each dealing day.

The table below analyses each Sub-Fund's financial assets and liabilities into relevant maturity grouping based on remaining period at the reporting date to the contractual maturity date.

**MAI - Buy & Lease (Australia)**

<b>Financial liabilities</b>	<b>31 December 2018</b>			
	<b>Less than 1 Month AUD\$</b>	<b>1-3 Months AUD\$</b>	<b>Over 3 Months AUD\$</b>	<b>Total AUD\$</b>
Other payables	-	229,719	-	229,719
Net assets attributable to holders of redeemable participating shares at the end of the year	-	-	31,287,122	31,287,122
	<b>-</b>	<b>229,719</b>	<b>31,287,122</b>	<b>31,516,841</b>

**MAI - Buy & Lease (New Zealand)**

<b>Financial liabilities</b>	<b>31 December 2018</b>			
	<b>Less than 1 Month NZD\$</b>	<b>1-3 Months NZD\$</b>	<b>Over 3 Months NZD\$</b>	<b>Total NZD\$</b>
Other payables	-	502,977	-	502,977
Net assets attributable to holders of redeemable participating shares at the end of the year	-	-	37,245,382	37,245,382
	<b>-</b>	<b>502,977</b>	<b>37,245,382</b>	<b>37,748,359</b>

**EICM South Asia Hospitality 1**

<b>Financial liabilities</b>	<b>31 December 2018</b>			
	<b>Less than 1 Month USD\$</b>	<b>1-3 Months USD\$</b>	<b>Over 3 Months USD\$</b>	<b>Total USD\$</b>
Other payables	-	635,155	-	635,155
Net assets attributable to holders of redeemable participating shares at the end of the year	-	-	2,229,899	2,229,899
	<b>-</b>	<b>635,155</b>	<b>2,229,899</b>	<b>2,865,054</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (Continued)**

**(c) Liquidity risk (Continued)**

**British Innovation Fund**

<b>Financial liabilities</b>	<b>31 December 2018</b>			
	<b>Less than 1 Month GBP£</b>	<b>1-3 Months GBP£</b>	<b>Over 3 Months GBP£</b>	<b>Total GBP£</b>
Other payables	-	468,907	-	468,907
Net assets attributable to holders of redeemable participating shares at the end of the year	-	-	18,953,687	18,953,687
	<b>-</b>	<b>468,907</b>	<b>18,953,687</b>	<b>19,422,594</b>

**Milltrust Global Emerging Markets Fund\***

<b>Financial liabilities</b>	<b>31 December 2018</b>			
	<b>Less than 1 Month USD\$</b>	<b>1-3 Months USD\$</b>	<b>Over 3 Months USD\$</b>	<b>Total USD\$</b>
Other payables	-	240,710	-	240,710
Net assets attributable to holders of redeemable participating shares at the end of the year	-	-	112,794,653	112,794,653
	<b>-</b>	<b>240,710</b>	<b>112,794,653</b>	<b>113,035,363</b>

\* Milltrust Global Emerging Markets Fund launched on 16 January 2018 and therefore no comparison is presented in these financial statements.

**MAI - Buy & Lease (Australia)**

<b>Financial liabilities</b>	<b>31 December 2017</b>			
	<b>Less than 1 Month AUD\$</b>	<b>1-3 Months AUD\$</b>	<b>Over 3 Months AUD\$</b>	<b>Total AUD\$</b>
Other payables	-	317,005	-	317,005
Net assets attributable to holders of redeemable participating shares at the end of the year	-	-	30,179,558	30,179,558
	<b>-</b>	<b>317,005</b>	<b>30,179,558</b>	<b>30,496,563</b>

**MAI - Buy & Lease (New Zealand)\***

<b>Financial liabilities</b>	<b>31 December 2017</b>			
	<b>Less than 1 Month NZD\$</b>	<b>1-3 Months NZD\$</b>	<b>Over 3 Months NZD\$</b>	<b>Total NZD\$</b>
Other payables	-	349,073	-	397,673
Net assets attributable to holders of redeemable participating shares at the end of the year	-	-	2,054,363	2,054,363
	<b>-</b>	<b>349,073</b>	<b>2,054,363</b>	<b>2,452,036</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (Continued)**

**(c) Liquidity risk (Continued)**

**EICM South Asia Hospitality 1**

<b>Financial liabilities</b>	<b>31 December 2017</b>			
	<b>Less than 1 Month</b>	<b>1-3 Months</b>	<b>Over 3 Months</b>	<b>Total</b>
	<b>USD\$</b>	<b>USD\$</b>	<b>USD\$</b>	<b>USD\$</b>
Other payables	-	397,673	-	397,673
Net assets attributable to holders of redeemable participating shares at the end of the year	-	-	2,054,363	2,054,363
	<b>-</b>	<b>397,673</b>	<b>2,054,363</b>	<b>2,452,036</b>

**British Innovation Fund**

<b>Financial liabilities</b>	<b>31 December 2017</b>			
	<b>Less than 1 Month</b>	<b>1-3 Months</b>	<b>Over 3 Months</b>	<b>Total</b>
	<b>GBP£</b>	<b>GBP£</b>	<b>GBP£</b>	<b>GBP£</b>
Other payables	-	4,384,110	-	4,384,110
Net assets attributable to holders of redeemable participating shares at the end of the year	-	-	14,579,535	14,579,535
	<b>-</b>	<b>4,384,110</b>	<b>14,579,535</b>	<b>18,963,645</b>

\* MAI – Buy & Lease (New Zealand) launched on 26 January 2017.

**(d) Offsetting and amounts subject to master netting agreements**

None of the financial assets and liabilities are offset in the Statement of Financial Position and there is no legal right of offset between the assets and liabilities.

**Specific risks relating to the MAI – Buy & Lease (Australia):**

**(e) Leasing risk**

The tenants of a property held by the Sub-Fund may decide to terminate or not to renew a lease and in certain circumstances it may be difficult to find new tenants. The income of the Sub-Fund may be adversely affected if a significant number of tenants were unable to pay rent or its properties could not be rented out on favourable terms. Risks relating to agricultural activities such as weather, diseases and epidemics, volatility in product demand or access to water, may impact the tenant's ability to pay rent or for the Sub-Fund to fund a new tenant. Furthermore, certain material expenditures associated with investments in property (such as insurance costs and operating and maintenance costs) generally are not reduced and may even increase in circumstances which cause a reduction in income from a property, which could have an adverse effect on the financial condition and operations of the Sub-Fund.

The Sub-Fund may acquire property that is not leased (i.e. does not produce income) or may terminate existing leases with a view to releasing the property once improvements have been made thereto in the context of implementing the investment strategy of the Sub-Fund.

The value of property acquired by the Sub-Fund may depend to a significant degree on the leasing income it generates. The termination of existing leases may cause the valuation of property acquired for a Sub-Fund to decrease. There can be no guarantee that the Sub-Fund will be able to re-lease property once the improvements have been made. If property

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**For year ended 31 December 2018**

**7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (Continued)**

**Specific risks relating to the MAI – Buy & Lease (Australia) (Continued):**

**(e) Leasing risk (Continued)**

cannot be re-leased or is re-leased at a lower rent than anticipated, there is a risk that the returns from such investments will be low or that the investment may need to be sold at a loss.

Payment of interest on the loan to Milltrust BLA LLP is dependent on maintaining the anticipated level of distributions from MAI Australia Pty. Ltd, which in turn is dependent on lease income received from the farm properties. Any reduction in payments received from tenants would therefore affect the amount distributed to Milltrust BLA LLP, and hence impact its ability to meet interest payments.

Similarly, ultimate repayment of the loan principal is dependent on the sale of properties for at least the value at which they were acquired. If property values fall, and this amount cannot be realised, this would affect Milltrust BLA LLP's ability to repay the loan principal in full. At 31 December 2018 there was no loss allowance based on 12-month expected credit losses under IFRS 9.

**(f) Laws and regulations related to the agricultural sector**

The Sub-Fund's income is derived from tenants operating in the agricultural sector. The agricultural sector in Australia is subject to various regulations and rules including, but not limited to, the agricultural quarantine regulations, veterinary regulations, pesticides regulations which regulate utilisation, production, import, trading of pesticides and fertilisers; soil conditioners regulation which organises the processes of utilisation, production, import and trading of fertilisers; pastures regulations which regulates pasture development and protection from exploitation and utilisation. Legislation and decisions issued by legislative bodies and other regulators are always subject to change and update according to the political, economic, technical, environmental and international factors, which may influence agricultural activity and productivity. Any change to the regulatory environment could materially and adversely affect the Sub-Fund's operations, by limiting growth of revenues. Non-compliance with legislation and regulations may expose lessees to violations, fines or penalties imposed by regulatory authorities, which could materially and adversely affect the Sub-Fund's operations, financial condition and results.

**(g) Risks of property investments**

Investments in property are subject to various risks, including but not limited to adverse changes in regional, national or international economic conditions, adverse local market conditions, the financial conditions of tenants, buyers and sellers of properties, changes in availability of debt financing, changes in interest rates, property tax rates and other operating expenses, environmental laws and regulations, zoning laws and other governmental rules and fiscal policies, environmental claims arising in respect of property acquired with undisclosed or unknown environmental problems or as to which inadequate reserves had been established, energy prices, changes in the relative popularity of property types and locations, risks due to dependence on cash flow, risks and operating problems arising out of the presence of certain construction materials, as well as acts of God, uninsurable losses and other factors which are beyond the control of the AIFM and the ICAV. As indicated above, a terrorist attack or other catastrophe could have a negative impact on the confidence and behaviour of investors, interest rates, the ability of the Sub-Funds to refinance, and the ability of the Sub-Funds to sell property assets. The state of the international financial markets at the time any Sub-Fund seeks to realise some or all of its assets may adversely affect the ability of the Sub-Funds to do so.

These risks, either individually or in combination may cause a reduction in the income generated by the property asset or an increase in operating and other costs of the property asset, either or both of which may materially affect the financial position and returns of specific investments by the relevant Sub-Fund and the Sub-Funds generally.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (Continued)**

**Specific risks relating to the MAI – Buy & Lease (Australia) (Continued):**

**(h) Risks of illiquid and inefficient property markets**

The markets on which property assets are traded are not transparent and therefore generally inefficient. As a result the price to be paid upon an acquisition of a property asset value may be higher (or lower) than the market value determined by an appraiser applying acknowledged and customary valuation techniques. Equally, the price received when selling a property asset may be lower (or higher) than the market value determined by an appraiser applying acknowledged and customary valuation techniques.

To the extent the relevant Sub-Fund will make new property investments, market inefficiencies may make it difficult for the relevant Sub-Fund to identify suitable assets to acquire.

The realisation of capital invested in a particular asset and of any capital gains will generally occur only upon the partial or complete disposition of an investment. The liquidity of all investments will depend on the success of the realisation strategy proposed for each investment. Such strategy could be adversely affected by a variety of factors. Market inefficiencies can make it difficult for a Sub-Fund to sell property assets. To the extent that the sale of a Sub-Fund's property assets is an important component of a Sub-Fund's strategy, there is a risk that such Sub-Fund may be unable to realise its investment objectives because the sale or other disposition at attractive prices or at the appropriate times or in response to changing market conditions, or using another favourable exit strategy, may not be possible.

Losses on unsuccessful investments may be realised before gains on successful investments are realised. Prospective investors should therefore be aware that they may be required to bear the financial risk of their investment for an indefinite period of time. It cannot be ruled out that the Sub-Funds will incur losses when making such investments. As the underlying Australian Unit Trust uses leverage for its property investments, these risks are enhanced.

**Specific risks relating to the MAI – Buy & Lease (New Zealand):**

**(i) Laws and regulations related to the agricultural sector**

The Sub-Fund's income is derived from tenants operating in the agricultural activity. The agricultural sector in New Zealand is subject to various regulations and rules including, but not limited to, the agricultural quarantine regulations, veterinary regulations, pesticides regulations which regulate utilisation, production, import, trading of pesticides and fertilisers; soil conditioners regulation which organises the processes of utilisation, production, import and trading of fertilisers; pastures regulations which regulates pasture development and protection from exploitation and utilisation. Legislation and decisions issued by legislative bodies and other regulators are always subject to change and update according to the political, economic, technical, environmental and international factors, which may influence agricultural activity and productivity. Any change to the regulatory environment could materially and adversely affect the Sub-Fund's operations, by limiting growth of revenues. Non-compliance with legislation and regulations may expose lessees to violations, fines or penalties imposed by regulatory authorities, which could materially and adversely affect the Sub-Fund's operations, financial condition and results.

**(j) Risk of product damage**

Agricultural products require special attention and storage for limited periods. If sale and distribution of products are delayed, or if they are exposed to damage during the stowing and packaging process, or damaged before they are sold, lessees may incur loss as a result of such damages. Agricultural products and crops are perishable, so if they are not properly stored, it could negatively and substantially affect the lessee's production and business and thus adversely affect its earnings, financial condition and operating results. Such losses could negatively impact the ability of a lessee to meet its obligations to the Sub-Fund.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (Continued)**

**Specific risks relating to the EICM South Asia Hospitality Fund 1 (Continued):**

**(k) Spread of diseases and epidemics**

Any spread of diseases and epidemics in crops could affect a lessee's sales and profits and his ability to meet his financial obligations.

**(l) Volatility of seasonal demand and weather conditions**

The nature of agricultural sales and production in general is subject to seasonal fluctuations. Therefore a lessee's revenues may be affected by the seasonal vagaries of supply and demands. Bad weather conditions (including natural disasters such as droughts and floods) may hinder or limit land activity and may cause damage to products, which will directly and adversely affect a lessee's business, financial condition and results.

**(m) Political and/or Legal/Regulatory Risk**

The value of the Sub-Fund's assets may be affected by uncertainties such as international political developments, changes in government policies, taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of the countries to which the Sub-Fund is exposed through its investments.

**(n) Concentration Risk**

Where the Sub-Fund invests in a single entity, its assets will be highly concentrated within a particular region, country, company, industry, asset category, trading style or financial or economic market. In that event, the Sub-Fund's portfolio will be more susceptible to fluctuations in value resulting from adverse economic conditions affecting the performance of that particular company, industry, asset category, trading style or economic market, than a less concentrated portfolio would be. As a result, that Sub-Fund's investment portfolio could become concentrated and its aggregate return may be volatile and may be affected substantially by the performance of only one or a few holdings and, consequently, could have an adverse impact on the Sub-Fund's financial conditions and its ability to pay distributions. The ICAV is not obligated to hedge its positions.

**(o) Property and Development Risk**

The Sub-Fund may invest in development projects and may purchase undeveloped land and construct new projects on it. Properties under construction are subject to various risks. Cost and timely construction may be adversely affected by strikes, shortages in materials, subsoil risks, uninsurable losses and other factors beyond the control of the ICAV and the AIFM. In addition, costs of construction and operation of properties may be increased by local, state or federal legislative or administrative action in areas including zoning, regulations and land use controls, air and water quality standards, noise pollution and other environmental impacts and regulatory controls. These risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of development activities once undertaken, any of which could adversely affect the relevant Sub-Fund and its shareholders. Furthermore, properties under development or properties acquitted for development may receive little or no cash flow from the date of acquisition through the date of completion of the development and may still experience operating deficits well after the date of completion. Finally, market conditions may change during the course of development that make such investments less attractive than they were at the time of acquisition.

The planned development of the property may be subject to planning permission. There is a risk that such permission may not be granted, the permission granted may not accommodate the planned development or the site on which development is planned may be rezoned to a categorisation inconsistent with the planned development. The marketability and value of any properties owned by the Sub-Fund will, therefore, depend on many factors beyond the control of the Sub-Fund and there is no assurance that there will be either a ready market for properties of the Sub-

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (Continued)**

**Specific risks relating to the EICM South Asia Hospitality Fund 1(Continued):**

**(o) Property and Development Risk (continued)**

Fund, that such properties will be sold at a profit or that the value of the property will not fall following its acquisition by the Sub-Fund.

**Specific risks relating to the British Innovation Fund:**

**(p) Private Equity Investments**

The Sub-Fund may invest in private equity investments which involve a high degree of business and financial risk. These investments typically take many years to be realised or to become liquid. Such investments may generate limited or no income during their life and the return of capital and the realisation of gains, if any, from an investment generally will occur only upon the partial or complete disposition of such investment. An investment may be sold at any time, although this may not occur for a number of years after the investment is made. Such investments may comprise unquoted interests which are not publicly traded or freely marketable and a sale may require the consent of other interested parties. Such investments may therefore be difficult to value and realise. Such realisations may involve significant time and cost. In addition, in some cases the Sub-Fund may be prohibited by contract or legal or regulatory reasons from selling certain securities for a period of time. As a consequence, the realisable value of an asset may be less than the full value based on its estimated future cash flows and realisation of the value may be subject to timing constraints.

**(q) Illiquid Fund Investments**

Most of the companies in which the Sub-Fund expects to make direct and indirect investments will initially be privately held. As a result there will be no readily available secondary market for the Sub-Fund's interests in such companies. Therefore, there is no assurance that the Sub-Fund will be able to realise liquidity for such investments in a timely manner, if at all. Unless a company subsequently is sold or lists its shares on a recognised exchange, this avenue to liquidity will not be available to the Sub-Fund, which must then rely on other means to achieve liquidity. In addition, the Sub-Fund may be precluded from selling its shares in a public company for some time after such company's initial public offering, if any.

**(r) Restrictions on the Sale or Distribution of Portfolio Company Securities**

The Sub-Fund may be prohibited by lock up agreements or insider trading restrictions from distributing or selling company securities for a period of time, during which the price of a company's securities could decline.

**(s) Lack of Control**

Where possible the Sub-Fund generally seeks to structure direct investments so that it will have some level of control over a company, at least as to major corporate decisions, particularly in the first few years of the Sub-Fund's operation, wherever this is possible. However, the Sub-Fund expects that it will hold minority interests in most companies and therefore may have limited ability to protect its position and investment. Generally, as a condition to any investment, the Sub-Fund will seek to obtain special rights and protective provisions, which will be negotiated at the time of the investment. There can be no assurance that the Sub-Fund will be able to obtain such protective provisions, or that if such provisions are obtained, that they will be effective.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**7. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS (Continued)**

**(t) Use of Leverage in Certain Investments**

While investments in leveraged companies offer the opportunity for capital appreciation, such investments also involve a higher degree of risk. The companies in which the Sub-Fund invests may involve varying degrees of leverage, and thus economic downturns, operating problems and other general business and economic risk may have a more pronounced effect on the profitability or survival of such companies. Moreover, rising interest rates may significantly increase portfolio company interest expense, causing losses and/or the inability to service debt levels. If a portfolio company cannot generate adequate cash flow to meet debt obligations, the Sub-Fund may suffer a partial loss or total loss of capital invested in the portfolio company. Additionally, the securities acquired by the Sub-Fund may be the most junior in what will typically be a complex capital structure of the portfolio company, and thus subject to the greatest risk of loss.

**Specific risks relating to Milltrust Global Emerging Markets Fund:**

**(u) Concentration of Investments**

The Sub-Fund may hold relatively few investments. The Sub-Fund could therefore be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected.

**(v) Risk of investment in Unregulated Fund**

The Sub-Fund may invest in Unregulated Funds which may not be subject to the same legal and regulatory protection as afforded by Investment Funds authorised and regulated in the European Union or equivalent jurisdictions. Investment in Unregulated Funds involves special risks that could lead to a loss of all or a substantial portion of such investment.

**(w) Costs of investing in Investment Funds**

The Sub-Fund will bear, along with other shareholders, its portion of the expenses of the underlying Investment Funds, including management, investment management, performance, administration, depositary and/or other fees. These fees will be in addition to the management, administration and depositary fees and other expenses which the Sub-Fund bears directly in connection with its own operations. If the Sub-Fund invests in an Investment Fund constituted as a fund of funds, fees arise at the Sub-Fund and Investment Fund levels and at the level of the underlying funds in which the Investment Fund invests. Investment by the Sub-Fund in another fund of funds may create a lack of transparency in investments.

**(x) Risk of investment in leveraged Investment Funds**

While the Sub-Fund does not currently intend to invest in Underlying Funds which employ leverage, it may do so in the future. In that event, although the use of leverage employed by any of the underlying Investment Funds may increase the returns of the Sub-Fund, it may involve a high risk of loss of the initial capital investment and it may also involve a high degree of risk.



**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**Specific risks relating to Milltrust Global Emerging Markets Fund (Continued):**

**(y) Non-Diversification Risk**

The Sub-Fund may likely be more volatile than a broad-based fund, such as a global equity fund, as it is more susceptible to fluctuations in value resulting from adverse conditions in the countries in which it invests.

**Risk Management**

The Investment Manager (*prior to 17 May 2018* Sturgeon Ventures LLP) and (*from 17 May 2018* Milltrust International LLP) maintains and operates a risk management function which is designed to identify and manage the key risks outlined above, using a combination of clearly defined risk limits and controls, internal systems and processed for managing and reporting risk and their outcomes to the Investment Manager, AIFM and the Board of Directors.

**8. FAIR VALUE ESTIMATION**

In evaluating the level at which the fair value measurement of the Sub-Funds' investments have been classified, the Sub-Funds have assessed factors including, but not limited to, price transparency, the ability to dispose of the investment at the measurement date and the existence or absence of certain restrictions at the measurement date. The three levels of the fair value hierarchy are as follows:

- Level 1 - quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2 - Inputs other than quoted prices included within level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instrument valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3 - fair value of investments that require significant unobservable inputs, including investments that may be illiquid uncertain period.

The Sub-Fund recognises transfers into and out of the levels indicated above at the end of the reporting period.

**At 31 December 2018**

	Level 1	Level 2	Level 3	Total
MAI – Buy & Lease (Australia) - AUD\$				
Financial assets at fair value through profit or loss	-	-	28,175,079	28,175,079
<b>Total MAI – Buy &amp; Lease (Australia) – AUD\$</b>	-	-	<b>28,175,079</b>	<b>28,175,079</b>
MAI – Buy & Lease (New Zealand) - NZD\$				
Financial assets at fair value through profit or loss	-	-	29,225,613	29,225,613
<b>Total MAI – Buy &amp; Lease (New Zealand) - NZD\$</b>	-	-	<b>29,225,613</b>	<b>29,225,613</b>
EICM South Asia Hospitality 1 – USD\$				
Financial assets at fair value through profit or loss	-	-	2,287,316	2,287,316
<b>Total EICM South Asia Hospitality 1 - USD\$</b>	-	-	<b>2,287,316</b>	<b>2,287,316</b>
British Innovation Fund – GBP£				
Financial assets at fair value through profit or loss	-	-	15,105,450	15,105,450
<b>Total British Innovation Fund – GBP£</b>	-	-	<b>15,105,450</b>	<b>15,105,450</b>
Milltrust Global Emerging Markets Fund –USD\$*				
Financial assets at fair value through profit or loss	-	112,797,129	-	112,797,129
<b>Total Milltrust Global Emerging Markets Fund- USD\$</b>	-	<b>112,797,129</b>	-	<b>112,797,129</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**8. FAIR VALUE ESTIMATION (Continued)**

**At 31 December 2017 (Continued)**

**At 31 December 2017**

	Level 1	Level 2	Level 3	Total
MAI – Buy & Lease (Australia) - AUD\$				
Financial assets at fair value through profit or loss	-	-	27,964,407	27,964,407
<b>Total MAI – Buy &amp; Lease (Australia) – AUD\$</b>	<b>-</b>	<b>-</b>	<b>27,964,407</b>	<b>27,964,407</b>
MAI – Buy & Lease (New Zealand) - NZD\$ *				
Financial assets at fair value through profit or loss	-	-	-	-
<b>Total MAI – Buy &amp; Lease (New Zealand) - NZD\$</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
EICM South Asia Hospitality 1 – USD\$				
Financial assets at fair value through profit or loss	-	-	2,100,122	2,100,122
<b>Total EICM South Asia Hospitality 1 - USD\$</b>	<b>-</b>	<b>-</b>	<b>2,100,122</b>	<b>2,100,122</b>
British Innovation Fund – GBP£				
Financial assets at fair value through profit or loss	-	-	11,742,085	11,742,085
<b>Total British Innovation Fund – GBP£</b>	<b>-</b>	<b>-</b>	<b>11,742,085</b>	<b>11,742,085</b>

\* Milltrust Global Emerging Markets Fund launched on 16 January 2018 and therefore no comparison is presented in these financial statements.

\* MAI – Buy & Lease (New Zealand) launched on 26 January 2017.

The following table presents the movement in the Sub-Funds' level 3 instruments for the year ended 31 December 2018 by class of financial instrument.

**Fair value measurements using Level 3 inputs**

	MAI – Buy & Lease (Australia) AUD\$	MAI – Buy & Lease (New Zealand) NZD\$	EICM South Asia Hospitality 1 USD\$	British Innovation Fund GBP£
<b>Opening balance as at 1 January 2018</b>	<b>27,964,407</b>	<b>-</b>	<b>2,100,122</b>	<b>11,742,085</b>
Purchases/Issuance	-	29,167,054	-	2,507,197
Sales	-	-	-	-
Subsidiary expenses	(123,677)	-	-	-
Net transfers in/(out)	-	-	-	-
Gains/Losses				
Realised	-	-	-	-
Unrealised	334,349	58,559	187,194	856,168
<b>Closing balance as at 31 December 2018</b>	<b>28,175,079</b>	<b>29,225,613</b>	<b>2,287,316</b>	<b>15,105,450</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**8. FAIR VALUE ESTIMATION (Continued)**

**Fair value measurements using Level 3 inputs**

	<b>MAI – Buy &amp; Lease (Australia) AUD\$</b>	<b>MAI – Buy &amp; Lease (New Zealand) NZD\$*</b>	<b>EICM South Asia Hospitality 1 USD\$</b>	<b>British Innovation Fund GBP£</b>
<b>Opening balance as at 1 January 2017</b>	<b>9,944,979</b>	<b>-</b>	<b>1,449,514</b>	<b>4,000,000</b>
Purchases/Issuance	18,353,653	-	566,012	7,742,089
Sales	-	-	-	-
Net transfers in/(out)	-	-	-	-
Losses				
Realised	-	-	-	-
Unrealised	(334,225)	-	84,596	(4)
<b>Closing balance as at 31 December 2017</b>	<b>27,964,407</b>	<b>-</b>	<b>2,100,122</b>	<b>11,742,085</b>

\* Milltrust Global Emerging Markets Fund launched on 16 January 2018 and therefore no comparison is presented in these financial statements.

\* MAI – Buy & Lease (New Zealand) launched on 26 January 2017.

There were no transfers between levels during the year (2017: No transfers).

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2.

These may include over-the-counter derivatives (e.g. foreign currency forward contracts). As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. There were level 2 investments of USD\$112,797,129 held by Milltrust Global Emerging Markets Fund at the year ended 31 December 2018 (2017: Nil).

The Sub-Funds have invested entirely in positions that are deemed to be level 3 for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. As level 3 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**8. FAIR VALUE ESTIMATION (Continued)**

The determination of what constitutes “observable” requires significant judgement by the Investment Manager in consultation with the AIFM.

Significant unobservable inputs in measuring fair value:

**31 December 2018**

Description	Fair value	Valuation technique	Significant unobservable input	Range of estimates	Sensitivity to changes*
Milltrust BLA LLP Mahamaya Infrastructure Private Limited	AUD\$28,175,079	External Valuation	Rental Yield	6% -8.5%	AUD\$2,126,000
Oxford Sciences Innovation Plc	USD\$2,287,316	External Valuation	N/A	N/A	N/A
Pragmatic Printing Limited	GBP£4,120,000	Annual Valuation	N/A	N/A	N/A
	GBP£2,871,341	Annual Valuation	N/A	N/A	N/A
		Weighted Average Cost of Investment	N/A	N/A	N/A
Attomarker Series B Roslin Technologies Limited	GBP£2,507,196	Annual Valuation	N/A	N/A	N/A
Milltrust Agricultural Investments New Zealand LP	GBP£5,096,386	Valuation	N/A	N/A	N/A
	NZD\$ 29,225,613	Cost less transaction fees	N/A	N/A	N/A

\*Should the yield % increase by 50 Basis Points there would be the above change in fair value, a decrease in yield by the same amount would have an equal opposite movement.

**31 December 2017**

Description	Fair value	Valuation technique	Significant unobservable input	Range of estimates	Sensitivity to changes
Milltrust BLA LLP Mahamaya Infrastructure Private Limited	AUD\$27,964,407	External Valuation	Rental Yield	6% -8.5%	AUD\$2,110,000
Oxford Sciences Innovation PLC	USD\$2,100,122	Fair Value	N/A	N/A	N/A
Pragmatic Printing Limited	GBP£4,119,996	Cost	N/A	N/A	N/A
Attomarker Limited	GBP£2,015,176	Cost	N/A	N/A	N/A
Roslin Technologies Limited	GBP£510,527	Cost	N/A	N/A	N/A
	GBP£5,096,386	Cost	N/A	N/A	N/A

**Assets and liabilities not carried at fair value but for which fair value is disclosed**

For financial instruments not measured at fair value, cash and cash equivalents and bank overdraft, debtors and prepayments, other payables and net assets attributable to holders of redeemable participating shares, these were deemed to be level 2 for the years ended 31 December 2018 and 31 December 2017.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**8. FAIR VALUE ESTIMATION (Continued)**

In accordance with the Company's valuation policy, and in order to comply with IFRS 13, fair values for the investment assets of the Sub-Funds are measured as follows:

(i) MAI Buy & Lease - Australia	External independent valuation of farms
(ii) MAI Buy & Lease – New Zealand	Cost less transaction fees
(iii) EICM South Asia Hospitality 1	External independent valuation of underlying company
(iv) British Innovation Fund	Annual valuation in accordance with International Private Equity and Venture Capital Valuation (IPEV) Guidelines

**9. SHARE CAPITAL**

The ICAV was registered in Ireland on 10 February 2016 as an Irish collective asset management vehicle with variable capital and having segregated liability between its Sub-Funds with limited liability. The registered office of the ICAV is 6<sup>th</sup> Floor, 2 Grand Canal Square, Dublin 2, Ireland. On registration, the authorised share capital of the ICAV was 2 Subscriber Shares with a par value of €1.00 each and 5,000,000,000,000 shares of no par value initially designated as unclassified shares. The Shares do not carry pre-emption rights. The Shares do not confer a right to any specific portion of a Sub-Fund's assets. The ICAV has been divided into different classes of shares representing a separate Sub-Fund in the ICAV as follows:

Share transactions for the year ended 31 December 2018 were as follows:

**MAI – Buy & Lease (Australia)**

	<b>31 December 2018</b>	<b>31 December 2017</b>
	<b>Class A Shares</b>	<b>Class A Shares</b>
Shares in issue at beginning of year	<b>307,140.10</b>	<b>307,140.10</b>
Number of shares issued	-	-
Number of shares redeemed	-	-
<b>Shares in issue at end of year</b>	<b>307,140.10</b>	<b>307,140.10</b>

**MAI – Buy & Lease (New Zealand)\***

	<b>Class A Shares</b>	<b>Class A Shares</b>
Shares in issue at beginning of year/period	<b>385,081.63</b>	<b>385,081.63</b>
Number of shares issued	-	-
Number of shares redeemed	-	-
<b>Shares in issue at end of year</b>	<b>385,081.63</b>	<b>385,081.63</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**9. SHARE CAPITAL (Continued)**

**EICM South Asia Hospitality 1**

	<b>Class A Shares</b>	<b>Class A Shares</b>
Shares in issue at beginning of year/period	<b>20,562.02</b>	<b>15,021.55</b>
Number of shares issued	-	5,540.47
Number of shares redeemed	-	-
<b>Shares in issue at end of year</b>	<b>20,562.02</b>	<b>20,562.02</b>

**British Innovation Fund**

	<b>Class A Shares</b>	<b>Class A Shares</b>
Shares in issue at beginning of year	<b>150,000.00</b>	<b>150,000.00</b>
Number of shares issued	40,000.00	-
Number of shares redeemed	-	-
<b>Shares in issue at end of year</b>	<b>190,000.00</b>	<b>150,000.00</b>

**Milltrust Global Emerging Markets\***

	<b>Class A Shares</b>
Shares in issue at beginning of period	-
Number of shares issued	1,431,365.43
Number of shares redeemed	-
<b>Shares in issue at end of period</b>	<b>1,431,365.43</b>

\* Milltrust Global Emerging Markets Fund launched on 16 January 2018 and therefore no comparison is presented in these financial statements.

	<b>MAI – Buy &amp; Lease (Australia)</b>	<b>MAI – Buy &amp; Lease (New Zealand)*</b>	<b>EICM South Asia Hospitality 1</b>	<b>British Innovation Fund</b>	<b>Milltrust Global Emerging Markets*</b>
2018 Net asset value per shares	AUD\$101.87	NZD\$96.72	USD\$108.45	GBP£99.76	USD\$78.80
2017 Net asset value per share	AUD\$98.26	NZD\$98.06	USD\$99.91	GBP£97.20	-
2016 Net asset value per share	AUD\$98.29	-	USD\$94.42	GBP£99.49	-

\* Milltrust Global Emerging Markets Fund launched on 16 January 2018 and therefore no comparison is presented in these financial statements.

**10. FEES OF THE ALTERNATIVE INVESTMENT FUND MANAGER**

The AIFM is entitled to receive out of the assets of each Sub-Fund an annual fee, which will not exceed 0.0275% of the Net Asset Value of each Sub-Fund (plus any applicable taxes), subject to a minimum fee of €25,000 per Sub-Fund per annum (plus VAT, if any). The AIFM's fees will be calculated and accrue quarterly in arrears. During the year ended 31 December 2018 AIFM fees of AUD\$43,768 (2017:AUD\$41,012) (MAI – Buy & Lease (Australia)), NZD\$47,150 (2017:NZD\$53,189) (MAI – Buy & Lease (New Zealand)), USD\$32,303 (2017:USD\$23,067) (EICM South Asia Hospitality 1), GBP£24,673 (2017:GBP£24,188) (British Innovation Fund) and USD\$29,213 (Milltrust Global Emerging Markets Fund) were charged to the Sub-Funds. The following amounts remained payable as at 31 December 2018; AUD\$10,702 (2017:AUD\$9,608) (MAI – Buy & Lease (Australia)), NZD\$11,546 (2017:NZD\$10,571) (MAI – Buy & Lease (New Zealand)), USD\$7,756 (2017:USD\$7,503) (EICM South Asia

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**For year ended 31 December 2018**

**10. FEES OF THE ALTERNATIVE INVESTMENT FUND MANAGER (Continued)**

Hospitality 1), GBP£6,080 (2017:GBP£5,553) (British Innovation Fund) and USD\$Nil (2017:USD\$ Nil) (Milltrust Global Emerging Markets).

The AIFM shall be entitled to be reimbursed for all reasonable and properly vouched out-of-pocket expenses incurred by the AIFM in the performance of its duties and responsibilities under the AIFM Agreement.

**11. ADMINISTRATION FEES**

The Administrator is entitled to receive out of the assets of each Sub-Fund an annual fee which will not exceed 0.07% of the Net Asset Value of each Sub-Fund (plus any applicable taxes), subject to a minimum fee of €30,000 per Sub-Fund per annum (plus VAT, if any) with the exception of the Milltrust Global Emerging Markets Fund which will receive out of the assets of the Sub-Fund an annual fee which will not exceed 0.075% and is subject to a minimum administration fee of €75,000 per annum (plus VAT, if any). This fee accrues and is calculated on each Dealing Day. In addition, the Administrator is entitled to receive out of the assets of the ICAV, an annual fee of €4,500 per Sub-Fund for the preparation and filing of the reports that must, pursuant to the AIFMD, be filed by or on behalf of the ICAV with the Central Bank. The Administrator is also entitled to charge to the relevant Sub-Fund all agreed fees and transaction charges, at normal commercial rates, together with all reasonable and properly vouched out-of-pocket expenses (plus any applicable taxes), it incurs on behalf of each Sub-Fund in the performance of its duties under the Administration Agreement, which shall be payable quarterly in arrears. During the year ended 31 December 2018 Administration fees of AUD\$61,323 (2017:AUD\$58,242) (MAI – Buy & Lease (Australia)), NZD\$67,583 (2017:NZD\$57,336) (MAI – Buy & Lease (New Zealand)), USD\$45,779 (2017:USD\$36,783) (EICM South Asia Hospitality 1), GBP£32,707 (2017:GBP£36,983) (British Innovation Fund) and USD\$102,662 (Milltrust Global Emerging Markets) were charged to the Sub-Funds. The following amounts remained payable as at 31 December 2018; AUD\$19,843 (2017:AUD\$88,447) (MAI – Buy & Lease (Australia)), NZD\$45,729 (2017:NZD\$57,336) (MAI – Buy & Lease (New Zealand)), USD\$77,512 (2017:USD\$61,544) (EICM South Asia Hospitality 1), GBP£22,589 (2017:GBP£50,251) (British Innovation Fund) and USD\$36,485 (2017:USD\$Nil) (Milltrust Global Emerging Markets Fund).

**12. DEPOSITARY FEES**

The Depositary is entitled to receive out of the assets of each Sub-Fund an annual fee, which will not exceed 0.025% of the Net Asset Value of each Sub-Fund (plus any applicable taxes), subject to a minimum depositary fee of €24,000 per Sub-Fund per annum (plus VAT, if any) with the exception of Milltrust Global Emerging Markets Fund which is subject to a minimum depositary fee of €35,000 per annum (plus VAT, if any), and will not exceed 0.035% of the net asset value of the Sub-Fund. This fee accrues and is calculated on each Dealing Day and is payable in arrears. The total depositary fees during the year ended 31 December 2018 are AUD\$42,728 (2017:AUD\$36,408) (MAI – Buy & Lease (Australia)), NZD\$45,703 (2017:NZD\$36,121) (MAI – Buy & Lease (New Zealand)), USD\$12,589 (2017:USD\$29,934) (EICM South Asia Hospitality 1), GBP£22,306 (2017:GBP£21,189) (British Innovation Fund) and USD\$50,177 (2017: USD\$ Nil), (Milltrust Global Emerging Markets) were charged to the Sub-Funds. The following amounts remained payable as at 31 December 2018; AUD\$19,496 (2017:AUD\$36,285) (MAI – Buy & Lease (Australia)), NZD\$21,574 (2017:NZD\$57,336) (MAI – Buy & Lease (New Zealand)), USD\$31,051 (2017:USD\$28,812) (EICM South Asia Hospitality 1), GBP£10,869 (2017:GBP£36,121) (British Innovation Fund) and USD\$Nil (2017:USD\$Nil) (Milltrust Global Emerging Markets). Amounts payable at year end are included in other liabilities.

**13. INVESTMENT ADVISER, SUB INVESTMENT ADVISER AND INVESTMENT MANAGER FEES**

The Investment Adviser (Milltrust International LLP) shall be entitled to an annual advisory fee of up to 1% of the Net Asset Value of Class A of the British Innovation Fund (2% in relation to classes B, C and D of the British Innovation Fund Sub-Fund), payable out of the assets of the Sub-Fund. In relation to the MAI - Buy & Lease (Australia) Sub-Fund, the Investment Adviser shall receive 15% of the aggregate payments (but excluding capital payments) received by the Sub-Fund from the subsidiary. The Investment Adviser's fee will accrue monthly and be payable quarterly in arrears. The Investment Adviser shall also be entitled to be paid out of the assets of the Sub-Fund, its properly vouched reasonable out of pocket expenses.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**For year ended 31 December 2018**

**13. INVESTMENT ADVISER, SUB INVESTMENT ADVISER AND INVESTMENT MANAGER FEES (Continued)**

In respect of MAI – Buy & Lease (New Zealand), the Sub-Investment Adviser shall be entitled to an annual fee of 15% of the aggregate annual payments (but excluding capital payments) received by the Sub-Fund from the SPV (“Special Purpose Vehicle”) (plus VAT, if any), payable out of the assets of the Sub-Fund. In addition, in respect of Class B Shares only, the Investment Adviser shall be entitled to receive an advisory fee of 1% of the Net Asset Value of the Class B Share Class.

In respect of EICM South Asia Hospitality Fund 1, the Investment Adviser shall be entitled to an annual fee of up to 1% of the net asset value of the Sub-Fund (plus VAT, if any), payable out of the assets of the Sub-Fund.

In respect of Milltrust Global Emerging Markets Fund, Milltrust International LLP as Investment Advisor until 16 May 2018 and thereafter as Investment Manager shall be entitled to an annual investment advisory or Management fee of 0.80% of the net asset value of the Class A Shares and 0.40% of the net asset value of the Class B Shares.

The Investment Adviser has appointed East India Capital Management Pte Ltd as sub-investment adviser (the “sub-investment adviser”) to the EICM South Asia Hospitality 1. The sub-investment adviser is entitled to receive 1% per annum of the Net Asset Value of the EICM South Asia Hospitality 1 (plus VAT, if any), accrued monthly and paid quarterly in arrears out of the fee charged by the Investment Adviser. For the year ended 31 December 2018 there was USD\$21,224 (2017:USD\$15,302) of fees charged to the Sub-Fund by the sub-investment adviser, USD\$39,354 (2017:USD\$18,130) of which remained payable at year end.

The Investment Adviser will generally assist the Sub-Funds with ongoing administration and any reasonable requests for information and preparation of reports for Shareholders and other parties, as instructed by the Sub-Funds. For the provision of these additional services, the Investment Adviser shall be entitled to receive an annual fee of 0.10% of the Net Asset Value of the relevant Sub-Fund (the “ICAV services fee”) subject to a minimum annual fee of EUR€80,000 PER Sub-Fund. ICAV services fees of AUD\$145,333 (2017:AUD\$75,593) for the MAI Buy & Lease (Australia), NZD\$136,383 (2017:NZD\$75,253) for the MAI Buy & Lease (New Zealand), USD\$85,395 (2017:USD\$93,266) for the EICM South Asia Hospitality 1, GBP£71,356 (2017:GBP£70,629) for the British Innovation Fund and USD\$21,105 for the Milltrust Global Emerging Market Fund were charged to the Sub-Funds, of which AUD\$65,070 (2017:AUD\$93,931), NZD\$68,639 (2017:NZD\$75,253), USD\$206,532 (2017:USD\$121,137), GBP£36,440 (2017:GBP£40,731) and USD\$21,105 (2017:USD\$Nil) respectively remained payable as at year end.

For the period to 16 May 2018 a monthly investment management fee of £1,000 ((plus VAT, if any) was charged to each Sub-Fund by Sturgeon Ventures LLP. No fee was payable from 17 May 2018.



NOTES TO THE FINANCIAL STATEMENTS (Continued)

For year ended 31 December 2018

13. INVESTMENT ADVISER, SUB INVESTMENT ADVISER AND INVESTMENT MANAGER FEES  
(Continued)

For the year ended 31 December 2018 there were fees charged of:

<b>Year ended 31 December 2018</b>	<b>MAI - Buy &amp; Lease (Australia) AUD\$</b>	<b>MAI - Buy &amp; Lease (New Zealand) NZD\$</b>	<b>EICM South Asia Hospitality 1 USD\$</b>	<b>British Innovation Fund GBP£</b>	<b>Milltrust Global Emerging Markets Fund* USD\$</b>
Investment Management Fee (Prior 17 May 2018 -Sturgeon Ventures LLP )	9,175	9,667	6,951	5,000	-
Investment Management Fee (From 17 May 2018 Milltrust International LLP)	-	-	-	186,484	987,991
Sub-Investment Advisor – East India Capital Management Ltd.	-	-	21,224	-	-
<b>Total Investment Management fee</b>	<b>9,175</b>	<b>9,667</b>	<b>28,175</b>	<b>191,484</b>	<b>987,991</b>

<b>Year ended 31 December 2017</b>	<b>MAI - Buy &amp; Lease (Australia) AUD\$</b>	<b>MAI - Buy &amp; Lease (New Zealand) NZD\$</b>	<b>EICM South Asia Hospitality 1 USD\$</b>	<b>British Innovation Fund GBP£</b>
Investment Management Fee (Sturgeon Ventures LLP)	20,852	23,898	30,268	27,606
<b>Total Investment Management fee</b>	<b>20,852</b>	<b>23,898</b>	<b>30,268</b>	<b>27,606</b>

\* Milltrust Global Emerging Markets Fund launched on 16 January 2018 and therefore no comparison is presented in these financial statements.

As at 31 December 2018 fees remained payable of:

<b>Year ended 31 December 2018</b>	<b>MAI - Buy &amp; Lease (Australia) AUD\$</b>	<b>MAI - Buy &amp; Lease (New Zealand) NZD\$</b>	<b>EICM South Asia Hospitality 1 USD\$</b>	<b>British Innovation Fund GBP£</b>	<b>Milltrust Global Emerging Markets Fund* USD\$</b>
Investment Management Fee (Sturgeon Ventures LLP)	-	-	-	-	-
Investment Management Fee (Milltrust International LLP)	-	21,056	39,354	50,008	77,138
<b>Total Investment Management fee</b>	<b>-</b>	<b>21,056</b>	<b>39,354</b>	<b>50,008</b>	<b>77,138</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**13. INVESTMENT ADVISER, SUB INVESTMENT ADVISER AND INVESTMENT MANAGER FEES (Continued)**

<b>Year ended 31 December 2017</b>	<b>MAI - Buy &amp; Lease (Australia)</b>	<b>MAI - Buy &amp; Lease (New Zealand)</b>	<b>EICM South Asia Hospitality 1</b>	<b>British Innovation Fund</b>
	<b>AUD\$</b>	<b>NZD\$</b>	<b>USD\$</b>	<b>GBP£</b>
Investment Management Fee (Sturgeon Ventures LLP)	1,537	1,904	19,481	13,981
<b>Total Investment Management fee</b>	<b>1,537</b>	<b>1,904</b>	<b>19,481</b>	<b>13,981</b>

- \* Milltrust Global Emerging Markets Fund launched on 16 January 2018 and therefore no comparison is presented in these financial statements.  
 \* MAI – Buy & Lease (New Zealand) launched on 26 January 2017.

**14. PERFORMANCE FEES**

**MAI – Buy & Lease (Australia)**

The Sub-Fund shall pay the Investment Adviser a performance fee, which will be calculated annually, equal to 15% of the increase in the Adjusted Net Asset Value of the Sub-Fund for that year in excess of the un compounded hurdle rate of 5%, subject to satisfying the high water mark described below (the “Performance Fee”). The Performance Fee is crystallised five years after the date of subscription for such shares in each class and every five years thereafter (the “Performance Fee Payment Date”). All performance shall be measured and the fee accrued in the base currency of the Sub-Fund.

In the event of redemption of shares, the Performance Fee will be imposed on the redeemed shares as of the date of the redemption, as if such date was a Performance Fee payment date.

The Performance Fee will only be payable if the Adjusted Net Asset Value per share of the Sub-Fund has reached a level at which a performance fee was paid previously and then only with respect to the increase in the Adjusted Net Asset Value per share of the Sub-Fund over its Net Asset Value (after payment of the previous performance fee) at the time of the previous payment of a performance fee (the “high water mark”). If no Performance Fee was paid previously, a performance fee will be paid with respect to the Sub-Fund only after its Adjusted Net Asset Value appreciates beyond the initial Net Asset Value plus the hurdle rate. Thus, if the Adjusted Net Asset Value per share of the Sub-Fund falls below the Sub-Fund’s initial Net Asset Value per share, or the previous high water mark at which a performance fee was paid (less the performance fee paid at such level), no Performance Fee will be due. A further performance fee will only be due if the Adjusted Net Asset Value per share of the Sub-Fund increases beyond its initial Net Asset Value per share, or its Adjusted Net Asset Value per share following payment of the performance fee at the previous high water mark, as appropriate.

The term Adjusted Net Asset Value per share will equal the realised and unrealised capital appreciation in the Net Asset Value per share less the realised and unrealised capital losses on the Net Asset Value per share as determined (i) before the deduction or accrual of any Performance Fee; (ii) after the deduction or accrual of all other expenses and liabilities during the quarter, (iii) after the recognition of realised and unrealised gains and losses and any other direct costs associated with currency hedging at class level attributable to a class of shares; and (iv) before the deduction of dividends and other distributions accrued or paid with respect to the shares during the relevant period. There were no performance fees charged during the year ended 31 December 2018 (2017: Nil).

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**For year ended 31 December 2018**

**14. PERFORMANCE FEES (Continued)**

**MAI – Buy & Lease (New Zealand)**

The Sub-Fund shall pay the Investment Adviser a performance fee, which will be calculated annually, equal to 15% of the increase in the Adjusted Net Asset Value (as defined below) of the Sub-Fund for that year in excess of the uncompounded hurdle rate of 5%, subject to satisfying the high water mark described below (the “Performance Fee”). The Performance Fee is crystallised five years after the date of subscription for such Shares in each Class and every five years thereafter (the “Performance Fee Payment Date”). All performance shall be measured and the fee accrued in the base currency of the Sub-Fund. There were no performance fees charged during the year ended 31 December 2018 (2017 : Nil).

**EICM South Asia Hospitality 1**

The Sub-Fund shall pay the Investment Adviser a performance fee, which will be calculated daily and payable annually in arrears, equal to 10% of the increase in the Adjusted Net Asset Value (as defined previously) of the Sub-Fund for that year provided that the increase in the Adjusted Net Asset Value per Share has exceeded the hurdle rate of 5%, subject to satisfying the high water mark described previously (the “Performance Fee”). There were no performance fees charged during the year ended 31 December 2018 (2017: Nil).

If the increase in the Adjusted Net Asset Value per Share has exceeded the applicable hurdle rate, the Performance Fee will be calculated based on the excess increase in the Adjusted Net Asset Value per Share over the hurdle rate. The Performance Fee is crystallised on the last Dealing Day in the fiscal year. All performance shall be measured and the fee accrued in the base currency of the Sub-Fund.

**British Innovation Fund**

The Sub-Fund shall calculate and pay the Investment Adviser a performance-based fee, which will be calculated semi-annually, out of the assets of the Sub-Fund (the “Performance Fee”), being 25% for Class A and 20% for Class B, Class C and Class D of the appreciation of the Adjusted Net Asset Value of the shares of the relevant class for that year in excess of the uncompounded hurdle rate of 8% (for all classes), subject to satisfying the high water mark described above (the “Performance Fee”). The Performance Fee is crystallised three years after the date of subscription for such shares in each class and every year thereafter (the “Performance Fee payment date”). There were no performance fees charged during the year ended 31 December 2018 (2017: Nil).

**Milltrust Global Emerging Markets Fund**

The Sub-Fund shall calculate and pay the Investment Adviser a performance-based fee, which will be calculated annually, out of the assets of the Sub-Fund (the “Performance Fee”) in respect of Class B Shares only. The Performance Fees for the Class B Shares as of any Performance Fee payment date will equal 10% of the amount by which the appreciation of the Net Asset Value of such Share exceeds a rate equal to the percentage total return of the MSCI EM Index (Bloomberg ticker: M1EF Index) (the “Index”) over that Performance Period. The Investment Manager considers the Index to be relevant in the context of the investment policy of the Sub-Fund.

Any underperformance of the Index in preceding Performance Periods must be clawed back before a Performance Fee becomes due in subsequent Performance Periods. To equitably reflect the Performance Fee with respect to Shares purchased at different times during the course of a Performance Period, Shares will be issued in a separate series of Shares on each Dealing Day and the Performance Fee will be calculated separately for each series of Shares. There was no performance fees charged during the period ended 31 December 2018.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**For year ended 31 December 2018**

**15. AUDITOR'S REMUNERATION**

For the year ended 31 December 2018, the remuneration for all work carried out for each Sub-Fund by the statutory audit firm is shown below:

	<b>31 December 2018</b>				
	<b>MAI – Buy &amp; Lease (Australia)</b>	<b>MAI – Buy &amp; Lease (New Zealand)</b>	<b>EICM South Asia Hospitality 1</b>	<b>British Innovation Fund</b>	<b>Milltrust Global Emerging Markets Fund</b>
	<b>AUD\$</b>	<b>NZD\$</b>	<b>USD\$</b>	<b>GBP£</b>	<b>USD\$*</b>
Statutory audit fee**	50,092	19,349	15,236	38,782	10,019
Other assurance services	-	-	-	-	-
Tax advisory fee	-	-	-	-	-
Other non-audit fee	-	-	-	-	-
<b>Total fees</b>	<b>50,092</b>	<b>19,349</b>	<b>15,236</b>	<b>38,782</b>	<b>10,019</b>

\*\*The actual statutory audit fee for the year ended 31 December 2018 is per the above table.

	<b>31 December 2017</b>			
	<b>MAI – Buy &amp; Lease (Australia)</b>	<b>MAI – Buy &amp; Lease (New Zealand)</b>	<b>EICM South Asia Hospitality 1</b>	<b>British Innovation Fund</b>
	<b>AUD\$</b>	<b>NZD\$*</b>	<b>USD\$</b>	<b>GBP£</b>
Statutory audit fee**	21,983	4,228	7,443	13,326
Other assurance services	-	-	-	-
Tax advisory fee	-	-	-	-
Other non-audit fee	-	-	-	-
<b>Total fees</b>	<b>21,983</b>	<b>4,228</b>	<b>7,443</b>	<b>13,326</b>

\*\*The actual statutory audit fee for the year ended 31 December 2017 is per the above table

\* Milltrust Global Emerging Markets Fund launched on 16 January 2018 and therefore no comparison is presented in these financial statements.

\* MAI – Buy & Lease (New Zealand) launched on 26 January 2017.

**16. ORGANISATIONAL FEES**

In accordance with IFRS, the organisational expenses of the Sub-Funds have been written-off in full in these financial statements. Organisational costs are being written off over 60 months in the published valuations. As a result the financial statements show the net asset value as follows:

	<b>31 December 2018</b>				
	<b>MAI – Buy &amp; Lease (Australia)</b>	<b>MAI – Buy &amp; Lease (New Zealand)</b>	<b>EICM South Asia Hospitality 1</b>	<b>British Innovation Fund</b>	<b>Milltrust Global Emerging Markets Fund</b>
	<b>AUD\$</b>	<b>NZD\$</b>	<b>USD\$</b>	<b>GBP£</b>	<b>USD\$*</b>
Published Net Assets	31,488,024	37,465,510	2,261,272	19,002,867	112,815,399
Organisational expenses	(200,902)	(220,128)	(31,373)	(49,180)	(20,746)
<b>Audited Net Assets</b>	<b>31,287,122</b>	<b>37,245,382</b>	<b>2,229,899</b>	<b>18,953,687</b>	<b>112,794,653</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**16. ORGANISATIONAL FEES (Continued)**

**31 December 2017**

	<b>MAI – Buy &amp; Lease (Australia) AUD\$</b>	<b>MAI – Buy &amp; Lease (New Zealand) NZD\$*</b>	<b>EICM South Asia Hospitality 1 USD\$</b>	<b>British Innovation Fund GBP£</b>
Published Net Assets	30,468,934	38,104,602	2,101,422	14,648,387
Organisational expenses	(289,376)	(342,597)	(47,059)	(68,852)
<b>Audited Net Assets</b>	<b>30,179,558</b>	<b>37,762,005</b>	<b>2,054,363</b>	<b>14,579,535</b>

\* Milltrust Global Emerging Markets Fund launched on 16 January 2018 and therefore no comparison is presented in these financial statements.

\* MAI – Buy & Lease (New Zealand) launched on 26 January 2017.

**17. DISTRIBUTION**

There were no distributions made by the Sub-Funds during the year (2017: Nil).

**18. INVOLVEMENT WITH OTHER ENTITIES**

Below is a summary of the ICAV's involvement with unconsolidated structured entities and material associates.

<b>31 December 2018</b>	<b>Location</b>	<b>Cost of investment</b>	<b>Percentage holding</b>	<b>Nature of Relationship</b>	<b>Carrying amount of financial assets at fair value through profit or loss</b>
<b>Investment in subsidiary and associate</b>					
<b>MAI - Buy &amp; Lease (Australia)</b>		<b>AUD\$</b>			<b>AUD\$</b>
Milltrust BLA LLP*	United Kingdom	28,175,079	-	Subsidiary	28,175,079
Milltrust Agricultural Investments (Ireland) Limited*		-	100	Subsidiary	-
<b>MAI – Buy &amp; Lease (New Zealand)</b>		<b>NZD\$</b>			<b>NZD\$</b>
Milltrust Agricultural Investments New Zealand LP	New Zealand	29,225,613	100	Subsidiary	29,225,613

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**18. INVOLVEMENT WITH OTHER ENTITIES**

<b>31 December 2018</b>	<b>Location</b>	<b>Cost of investment</b>	<b>Percentage holding</b>	<b>Nature of Relationship</b>	<b>Carrying amount of financial assets at fair value through profit or loss</b>
<b>EICM South Asia Hospitality 1</b>		<b>USD\$</b>			<b>USD\$</b>
Mahayama Infrastructure Private Limited	India	2,048,500	15	Material associate	2,287,316
<b>British Innovation Fund</b>		<b>GBP£</b>			<b>GBP£</b>
Roslin Technologies Limited	United Kingdom	5,096,386	33.33	Material associate	5,096,386
Attomarker Limited	United Kingdom	3,017,723	25.48	Material holding	3,017,723
<b>Milltrust Global Emerging Markets Fund</b>		<b>USD\$</b>			<b>USD\$</b>
Emerging Markets Managed Accounts PLC - Milltrust Keywise China Fund **	Ireland	44,240,000	69	Material holding	32,427,920
Emerging Markets Managed Accounts PLC - Milltrust Latin American Fund	Ireland	19,599,387	70	Material holding	17,653,446
Emerging Markets Managed Accounts PLC - Milltrust ASEAN Fund	Ireland	11,299,364	49	Material holding	9,522,909
Emerging Markets Managed Accounts PLC - Milltrust India Fund	Ireland	10,546,734	38	Material holding	8,830,780

\*The maximum exposure of the Sub-Fund to losses on its investments in subsidiaries is represented by the carrying value as described in the table above. On 15 October 2018 MAI Buy & Lease (Australia) Sub-Fund entered into a term loan agreement with Milltrust BLA LLP with a final repayment date of 31 December 2026.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**For year ended 31 December 2018**

**18. INVOLVEMENT WITH OTHER ENTITIES (Continued)**

The ICAV, through its fully owned subsidiary (Milltrust BLA LLP), owns 100% of Milltrust Agricultural Investments Australia Unit Trust, established in Australia as a unit trust on 13 September 2016.

<b>31 December 2017</b>	<b>Location</b>	<b>Cost of investment</b>	<b>Percentage holding</b>	<b>Nature of Relationship</b>	<b>Carrying amount of financial assets at fair value through profit or loss</b>
<b>Investment in subsidiary and associate</b>					
<b>MAI - Buy &amp; Lease (Australia)</b>		<b>AUD\$</b>			<b>AUD\$</b>
Milltrust BLA LLP*	United Kingdom	27,964,407	100	Subsidiary	27,964,407
Milltrust Agricultural Investments (Ireland) Limited*	Ireland	-	100	Subsidiary	-
<b>EICM South Asia Hospitality 1</b>		<b>USD\$</b>			<b>USD\$</b>
Mahayama Infrastructure Private Limited	India	2,100,122	15	Material associate	2,100,122
<b>British Innovation Fund</b>		<b>GBP£</b>			<b>GBP£</b>
Roslin Technologies Limited	United Kingdom	5,096,386	33.33	Material associate	5,096,386

\*The maximum exposure of the Sub-Fund to losses on its investments in subsidiaries is represented by the carrying value as described in the table above. On 15 October 2018 MAI Buy & Lease (Australia) Sub-Fund entered into a term loan agreement with Milltrust BLA LLP with a final repayment date of 31 December 2026.

**19. RELATED PARTY TRANSACTIONS**

Parties are considered to be related if one party has the ability to control the other party or is able to exercise significant influence over the other party, in making financial or operational decisions. Fees of the AIFM, Administrator, Depositary, Investment Manager and Investment Advisers charged to the Sub-Funds and amounts due at the end of the year are as disclosed in Notes 10-14. The subsidiaries and associates are also deemed to be related parties. On 15 October 2018 MAI Buy & Lease (Australia) Sub-Fund entered into a term loan agreement with Milltrust BLA LLP with a final repayment date of 31 December 2026.

Directors fees charged for the year in relation to the Sub-Funds were AUD\$8,046 (2017:AUD\$27,516) for the MAI - Buy & Lease (Australia), NZD\$17,587 (2017:NZD\$31,624) for the MAI - Buy & Lease (New Zealand), USD\$12,000 (2017:USD\$15,516) for the EICM South Asia Hospitality 1, GBP£1,008 (2017:GBP£23,995) for the British Innovation Fund and USD\$11,395 (2017:USD\$Nil) for the Milltrust Global Emerging Markets Fund.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**For year ended 31 December 2018**

**19. RELATED PARTY TRANSACTIONS**

Milltrust International LLP replaced Sturgeon Ventures LLP as the Investment Manager to the ICAV on 17 May 2018, the fees were split accordingly during the year. Please see note 13 on page 56 for details.

During the year arrangements between Sub-Funds resulted in the MAI Buy & Lease (Australia) Sub-Fund settling certain expenses of the other Sub-Funds. As at year end the net receivable to the MAI Buy & Lease (Australia) Sub-Fund from the other Sub-Funds was AUD\$1,123,300 made up of NZD\$284,958 for the MAI Buy & Lease (New Zealand) Sub-Fund, USD\$249,003 for the EICM South Asia Hospitality 1 Sub-Fund, USD\$13,004 for the Global Emerging Markets Fund and GBP£265,175 for the British Innovation Fund.

For the EICM South Asia Hospitality 1 Sub-Fund the Investment Advisor has agreed to rebate all expenses (except for the Investment Advisor fees), the total rebated to the Sub-Fund for 2018 was USD\$229,110.

All of the Emerging Markets Managed Accounts plc Funds held by Milltrust Global Emerging Markets Fund at year ended 31 December 2018 have the same Investment Manager as the ICAV.

Further to a placement agreement entered into in February 2017 between Attomarker Limited and Milltrust International Group (Singapore) Pte. Ltd, the parent company of Milltrust International LLP, Milltrust International Group (Singapore) Pte. Ltd was allotted 126 ordinary shares (representing 2% of the total equity of the company) in March 2018 following the completion of Attomarker's Series B share issue.

**20. COMMITMENTS AND CONTINGENCIES**

As discussed in the Investments Managers' report, the British Innovation Sub-Fund has committed GBP£10,000,000 to invest in Roslin Technologies, of which GBP5,050,000 (net of transaction costs) has been drawn down to date, leaving a residual committed amount at 31 December 2018 of GBP£4,950,000. This amount was paid in June 2019.

**21. POST BALANCE SHEET EVENTS**

There were no other significant events after the year ended 31 December 2018 which require disclosure in the financial statements.

**22. APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the Directors on 6 August 2019 .



**SCHEDULE OF INVESTMENTS (UNAUDITED)**  
**31 December 2018**

<b>MAI – Buy &amp; Lease (Australia)</b>		<b>Fair Value AUD\$</b>	<b>% of Net Assets</b>
	<b>Country</b>		
<b>Financial assets at fair value through profit or loss</b>			
Milltrust BLA LLP Capital Account*	United Kingdom	10,753,467	34.37%
Loan to Milltrust BLA LLP	United Kingdom	17,421,612	55.68%
Milltrust Agricultural Investments (Ireland) Limited	Ireland	-	-
<b>Total</b>		<b>28,175,079</b>	<b>90.05%</b>

<b>MAI – Buy &amp; Lease (New Zealand)</b>		<b>Fair Value NZD\$</b>	<b>% of Net Assets</b>
	<b>Country</b>		
<b>Financial assets at fair value through profit or loss</b>			
Milltrust Agricultural Investments New Zealand LP	New Zealand	29,225,613	78.47%
<b>Total</b>		<b>29,225,613</b>	<b>78.47%</b>

<b>EICM South Asia Hospitality 1</b>		<b>Fair Value USD\$</b>	<b>% of Net Assets</b>
	<b>Country</b>		
<b>Financial assets at fair value through profit or loss</b>			
Mahamaya Infrastructure Private Limited	India	2,287,316	102.57%
<b>Total</b>		<b>2,287,316</b>	<b>102.57%</b>

<b>British Innovation Fund</b>		<b>Fair Value GBP£</b>	<b>% of Net Assets</b>
	<b>Country</b>		
<b>Financial assets at fair value through profit or loss</b>			
Attomarker Limited	United Kingdom	510,527	2.69%
Attomarker Limited Series B	United Kingdom	2,507,196	13.23%
Oxford Sciences Innovation Plc	United Kingdom	4,120,000	21.74%
Pragmatic Printing Limited	United Kingdom	2,871,341	15.15%
Roslin Technologies Limited	United Kingdom	5,096,386	26.89%
<b>Total</b>		<b>15,105,450</b>	<b>79.70%</b>

\*Investment vehicle established to provide exposure to farmland assets held in Australia. MAI Buy & Lease (Australia) holds an indirect investment in 7 farmland properties in Australia as at 31 December 2018.

**SCHEDULE OF INVESTMENTS (UNAUDITED) (continued)**  
**31 December 2018**

<b>Milltrust Global Emerging Markets Fund</b>		<b>Fair Value USD\$</b>	<b>% of Net Assets</b>
	<b>Country</b>		
<b>Financial assets at fair value through profit or loss</b>			
China AMC Share Opportunities Fund	Luxembourg	7,058,595	6.26%
Russian Prosperity Fund	Luxembourg	7,882,216	6.99%
Kim Korea Navigator Fund	Luxembourg	17,867,403	15.84%
Avalorn- The Actinio Fund	Luxembourg	8,642,062	7.66%
Emerging Markets Managed Accounts plc –Milltrust Latin America Fund	Ireland	17,653,446	15.65%
Emerging Markets Managed Accounts plc –Milltrust Asean Fund	Ireland	9,522,909	8.44%
Emerging Markets Managed Accounts plc –Milltrust Keywise China Fund	Ireland	32,427,920	28.75%
Emerging Markets Managed Accounts plc –Milltrust SEDCO MENA Fund	Ireland	2,911,798	2.58%
Emerging Markets Managed Accounts plc –Milltrust India Fund	Ireland	8,830,780	7.83%
<b>Total</b>		<b>112,797,129</b>	<b>100.00%</b>

**SCHEDULE OF INVESTMENTS (UNAUDITED)**  
**31 December 2017**

<b>MAI – Buy &amp; Lease (Australia)</b>		<b>Fair Value AUD\$</b>	<b>% of Net Assets</b>
	<b>Country</b>		
<b>Financial assets at fair value through profit or loss</b>			
Milltrust BLA LLP*	United Kingdom	27,964,407	92.66%
Milltrust Agricultural Investments (Ireland) Limited	Ireland	-	-
<b>Total</b>		<b>27,964,407</b>	<b>92.66%</b>

<b>MAI – Buy &amp; Lease (New Zealand)</b>		<b>Fair Value NZD\$</b>	<b>% of Net Assets</b>
	<b>Country</b>		
<b>Financial assets at fair value through profit or loss</b>			
	-	-	-
<b>Total</b>	-	-	-

**SCHEDULE OF INVESTMENTS (UNAUDITED) (continued)**  
**31 December 2017**

<b>EICM South Asia Hospitality 1</b>		<i><b>Fair Value USD\$</b></i>	<i><b>% of Net Assets</b></i>
	<i><b>Country</b></i>		
<b>Financial assets at fair value through profit or loss</b>			
Mahamaya Infrastructure Private Limited	India	2,100,122	102.23%
<b>Total</b>		<b>2,100,122</b>	<b>102.23%</b>

<b>British Innovation Fund</b>		<i><b>Fair Value GBP£</b></i>	<i><b>% of Net Assets</b></i>
	<i><b>Country</b></i>		
<b>Financial assets at fair value through profit or loss</b>			
Oxford Sciences Innovation PLC	United Kingdom	4,119,996	28.25%
Pragmatic Printing Limited	United Kingdom	2,015,176	13.82%
Attomarker Limited	United Kingdom	510,527	3.50%
Roslin Technologies Limited	United Kingdom	5,096,386	34.96%
<b>Total</b>		<b>11,742,085</b>	<b>80.53%</b>

\*Investment vehicle established to provide exposure to farmland assets held in Australia. MAI Buy & Lease (Australia) holds an indirect investment in 7 farmland properties in Australia as at 31 December 2017.

**AIFMD DISCLOSURE (UNAUDITED)**

**31 December 2018**

**Remuneration Policy**

The information provided below relates to the AIFM.

As part of its authorisation as an alternative investment fund manager, the AIFM has implemented a Remuneration Policy consistent with ESMA's remuneration guidelines and in particular the provisions of Annex II of Directive 2011/61/EU. The Remuneration Policy applies to all forms of benefits paid by the AIFM to identified staff in exchange for professional services and is intended to promote sound and effective risk management, to discourage inappropriate risk taking and to align the remuneration policy with the articles of association of the AIFM and the risk profile of the funds under management.

The various remuneration components are combined to ensure an appropriate and balanced remuneration package that reflects the relevant member of staff's rank and professional activity as well as best market practice. The AIFM will provide the opportunity to identified staff to receive variable remuneration based on the performance of the individual, the AIFM and of the funds under management. Assessment of performance will consider both financial and non-financial factors. Particular consideration will be given to risk-related factors. The above will be considered in a multi-year framework. The AIFM does not pay guaranteed variable remuneration.

Total remuneration (in EUR) paid to the staff of the AIFM fully or partly involved in the activities of the AIF that have a material impact on the ICAV's risk profile during the financial year to 31 December 2018:

**31 December 2018**

<b>Fixed remuneration</b>	<b>EUR</b>
Senior management	75,600
Other identified staff	42,500
<b>Total remuneration paid</b>	<b>118,100</b>
 <b>Variable remuneration</b>	 <b>EUR</b>
Senior management	-
Other identified staff	-
<b>Total remuneration paid</b>	<b>-</b>
No. of identified staff: 4	

The information provided below relates to the Investment Manager.

Milltrust International LLP replaced Sturgeon Ventures LLP as the Investment Manager to the ICAV on 17 May 2018. The Investment Manager maintains policies and procedures to ensure compliance with the Alternative Investment Fund Managers Directive (the "AIFMD") and in particular, adheres to any guideline and rules issued on such policies in accordance with the AIFMD. The Investment Manager has remuneration policies and practices which apply to its staff whose professional activities might have a material impact on the ICAV's risk profile ("Identified Staff").

The total number of Identified Staff of the Investment Manager as at 31 December 2018 was 2. The Investment Manager's pay to Identified Staff relates to all Sub-Funds which the Identified Staff currently manage. The assets under management of the Identified Staff as at 31 December 2018 was USD\$185.3 Million of which the ICAV represents 100% of total assets managed by the Identified Staff. The remuneration received by the Identified Staff relating to the activities of the ICAV was EUR 42,500.

**ADDITIONAL INFORMATION (UNAUDITED)**

**31 December 2018**

**FOREIGN EXCHANGE RATES**

The below table presents the rates of exchange used to translate any foreign currency balance held by the Sub-Funds as at 31 December 2018.

	<b>MAI – Buy &amp; Lease (Australia)</b>	<b>MAI – Buy &amp; Lease (New Zealand)</b>	<b>EICM South Asia Hospitality 1</b>	<b>British Innovation Fund</b>	<b>Milltrust Global Emerging Markets Fund</b>
<b>2018</b>	<b>AUD\$</b>	<b>NZD\$</b>	<b>USD\$</b>	<b>GBP£</b>	<b>USD\$</b>
USD	-	1.48	-	-	-
AUD	-	-	0.70	0.55	-
EUR	1.63	1.70	1.15	0.89	1.15
INR	-	-	69.77	-	-
GBP	1.81	1.89	-	0.52	1.27
NZD	0.95	-	-	-	-
ZAR	-	-	-	-	0.06

	<b>MAI – Buy &amp; Lease (Australia)</b>	<b>MAI – Buy &amp; Lease (New Zealand)</b>	<b>EICM South Asia Hospitality 1</b>	<b>British Innovation Fund</b>	
<b>2017</b>	<b>AUD\$</b>	<b>NZD\$</b>	<b>USD\$</b>	<b>GBP£</b>	
USD	-	-	-	-	
EUR	1.54	1.69	1.20	0.88	
INR	-	-	63.87	-	
GBP	1.73	1.90	-	-	

**SOFT COMMISSION**

The Investment Manager may effect transactions through the agency of another person with whom the Investment Manager has an arrangement under which that party will from time to time provide to or procure for the Investment Manager goods, services or other benefits such as research and advisory services, computer hardware associated with specialised software or research services and performance measures etc. Under such arrangements no direct payment is made for such goods, services or other benefits but instead the Investment Manager undertakes to place business with that party. In such case, the Investment Manager shall ensure that such arrangements shall assist in the provision of investment services to the Sub-Fund and the broker/counterparty to the arrangement has agreed to provide best execution to the Sub-Fund and brokerage rates will not be in excess of customary institutional full-service brokerage rates. There were no soft commission arrangements affecting the Sub-Fund during the year ended 31 December 2018 (31 December 2017 – none).

**RESEARCH COSTS**

All research costs under MiFID II are paid by the investment manager and are not charged to the Sub-Funds.

Research costs incurred by the investment manager for the year ended 31 December 2018:

	<b>USD\$</b>
Bloomberg	22,630
S&P	15,000
<b>Total</b>	<b>37,630</b>