CAIM CROWN AGENTS INVESTMENT MANAGEMENT

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2021

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Chairman's Report for the year ended 31 December 2021

Overview

Despite the continued economic and business challenges presented by the global pandemic and rapidly evolving market conditions, Crown Agents Investment Management Limited ("CAIM" or "the Company") continued on its path of strategic transformation, with notable successes in delivering growth in assets under management, positive portfolio performance against investment benchmarks, and strengthening the team and investment and control processes.

2021 Review

Since change of control in 2016, when Helios Investment Partners LLP acquired the Company, we have been building on established long-term relationships with central banks, pension funds and public and private sector financial institutions across our focus markets in Africa, the Caribbean and other selected geographies. Many of these country relationships go back over 100 years, reflecting the deep connections and strong level of confidence our clients have in us. We continue to support these relationships while forging new ones in our focus markets.

After recruiting new CEO, Roberts Grava in 2020, the Company is executing on a new strategic plan to drive ambitious business growth by strengthening investment and marketing teams and processes, new product development and broadening and deepening client engagement. This strategic transformation has been supported by a £500K capital injection in early 2021. In the calendar year, the Company significantly strengthened its team with key hires in business development, and a new Head of Quantitative Strategies, Risk and Analytics.

Strengthened internal processes and analytics facilitated deeper advisory engagement with clients, who broadened the geographical scope of investment mandates with the Company, allocating new funds to Chinese markets and broader global mandates reflecting Special Drawing Rights ("SDR") exposures, following the IMF's global allocation of SDRs to member countries and CAIM's rapid development of an SDR-based investment solution. Continued cooperation with multilateral regional institutions like the Macroeconomic and Financial Management Institute of Eastern and Southern Africa ("MEFMI") allowed the Company to share its thought leadership with a wider array of countries, and new business development efforts have resulted in a pipeline that should drive strong growth in assets under management in 2022 and beyond. The Company continues to develop its relationships as a trusted advisor, not simply an investment manager. Deeper engagement with client Boards and Investment Committees has fostered more productive relationships, with increased bilateral communications leading to customised investment solutions designed to better meet individual client objectives.

The Company reported a loss, as planned, in 2021, due to increased costs from investments to support the business in delivering client and revenue growth in line with the strategic plan, while maintaining and continuing to strengthen investment and control processes and analytics. The efforts of the entire team have borne fruit in the calendar year, with notable growth in assets under management, and mandate wins later in the year which would be onboarded in early 2022. We expect continued business momentum in the coming year, both from converting existing opportunities in fixed income mandates, as well as from focusing on new opportunities in multi-asset investment solutions. Our seasoned team of portfolio managers delivered positive investment results versus investment benchmarks in 2021, and will continue to deploy their expertise on clients' behalf in the challenging market conditions of early 2022 and beyond.

The hard work, commitment and collaboration of our people will remain cornerstones of our long-term success. I would like to thank the management and board for their ongoing commitment and dedication to the success of this organisation.

Jeremy Parrish

Chairman

5 April 2022

Chief Executive Officer's Report for the year ended 31 December 2021

2021 was a successful transitional and transformational year for Crown Agents Investment Management, as we began to execute the new strategic plan agreed with the Board in late 2020. Despite a year that included notable volatility in portions of the fixed income markets relevant to many of our clients, we were able to successfully harness the experience of our seasoned portfolio managers and recent improvements in investment processes to deliver above-benchmark returns for the overwhelming majority of our discretionary investment accounts. CAIM's financial loss recorded in 2021 reflected planned strategic investment in the business (supported by a £500k capital injection early in the year) to strengthen the team, drive improvements in investment and risk management processes, facilitate product development, broaden and deepen client outreach efforts and kick-start new momentum in growing assets under management. I am delighted to report that CAIM had notable achievements on all of these fronts in 2021.

Strengthening the team

In 2021 we were successful in attracting professionals with formidable experience and long professional affiliations with major investment management institutions to CAIM, assuming key new roles in risk management and business development. Our new Head of Quantitative Strategies, Risk and Analytics brings decades of investment experience to CAIM, and has accelerated key initiatives in risk management and continued efforts to further strengthen investment processes. The team has delivered continued improvements in reporting and analytics, and well as in our data warehouse, which consolidates information from various sources and facilitates better access to information, as well as the automation of what used to be multiple manual processes, freeing up key resources for more value-added tasks. Our senior business development hire brings not only a rich network of valuable institutional contacts, but also expertise in managing institutional business development processes. CAIM's interactions with clients and prospects have multiplied since we implemented this new role, and we have developed a notable potential client pipeline as we enter 2022.

Broadening and deepening relationships with clients

Global travel restrictions continued in 2021, and we needed to remain creative in creating and nurturing client relationships in the absence of the ability to meet face to face. We continued our successful webinar series, allowing us to deliver thought leadership and capacity building efficiently. Our continuing partnership with MEFMI allowed us to reach institutions beyond our immediate client base, and allowed MEFMI members to benefit from the expertise of CAIM's investment professionals as we all navigated the challenging market environment. Throughout the year our webinars reached a broad audience across a wide range of time zones, in the Caribbean, Africa, Europe, Central Asia and the Asia Pacific region (some further afield participants chose to view recordings of the events). We were also successful in deepening relationships with clients, and focused on our goal of being a trusted advisor, not just an asset manager, to our partner institutions. Armed with a growing and sophisticated set of asset allocation tools, as well as our long expertise working with and in the types of institutions our clients represent, we had deeper conversations with more senior stakeholders, helping them think through the policies which drive investment management decisions. We have had an increasing number of interactions with Investment

Committees and Boards, as well as continuing our thorough outreach with investment management practitioners at client institutions. We believe this type of open communication and collaboration is mutually beneficial and indeed crucial to our continued success.

Product development

Much of 2021 was characterized by a historically low yield environment in the United States, a particular challenge for those institutions earning much of their income from fixed income investments there. Diversification options were scarce - non-government spreads remained low and consequently unattractive, and other developed markets exhibited negative interest rates. Many of our central bank clients remained reluctant to invest in equities, despite materially positive returns throughout 2021. Working with our clients on investment policy considerations,

Chief Executive Officer's Report for the year ended 31 December 2021 (continued)

Product development (continued)

and with the help of CAIM's proprietary asset allocation tools, we helped them identify the relative attractiveness of onshore Chinese government and other high quality fixed income instruments as a strategic allocation, not simply an opportunistic one.

Similarly, in 2021 the International Monetary Fund implemented a new global allocation of Special Drawing Rights (SDRs) to its member countries. In essence, this resulted in a one-time rise in national balance sheet size for recipient nations, but not necessarily a new income source, without converting the SDRs to investable currencies. A number of CAIM's investment professionals have years of experience managing SDR-based investment portfolios, and so we convened an educational webinar about the benefits, issues and practicalities of managing SDR-based investment portfolios, also noting that CAIM has the capability to manage such multi-dimensional portfolios on behalf of clients. This webinar was extremely well-received, and the topic continues to drive discussions with several of our existing and potential clients.

Business growth

The results of our efforts on multiple fronts - strengthening analytics and processes, broadening engagements with clients and prospects, fostering collaborative and trusted relationships, innovating investment solutions to meet evolving client needs - have been successful. In 2021 institutions awarded us investment mandates with strategic allocations to onshore CNY bonds, with SDR-based benchmarks, and continued to increase allocations to our existing strategies as well. We were awarded over £545 million in new assets under management in the calendar year, representing over £420 million net inflows, with the outflows mainly reflecting regular withdrawals from nondiscretionary accounts, and the planned closure of some small legacy accounts. Our operations team worked diligently to onboard these new mandates and handle the complexities of setting up operations on behalf of clients who hadn't previously owned assets in certain markets. While CAIM reported a financial loss, as planned, in 2021, new mandates onboarded late in the year and assets under management won in the fourth quarter and funded in the first quarter of 2022 contribute to increased revenues in early 2022. With a robust pipeline for further new investment mandates, we expect to continue building on this business growth momentum as we enter 2022, and plan to return to profitability in the new calendar year.

Concluding remarks

I believe that 2021 was a successful and transformational year for CAIM. We have invested in people and processes to support an ambitious strategic plan, and that plan is bearing fruit as clients entrust CAIM with the management of increasing amounts of investment assets. Success does not come easy, however, and it hasn't come without the truly extraordinary efforts of every single member of the CAIM team. I want to extend my sincerest gratitude to them for their heroic efforts over the calendar year, for managing growing and increasingly multidimensional investment portfolios, for their diligence in improving processes and analytics, for their creativity in imagining and operationalizing new relevant investment solutions, and, ultimately, for winning and retaining clients' trust. We all look forward to building on these successes, and continuing to deliver successful outcomes, for a growing number of clients in 2022 and beyond.

Roberts Grava

Chief Executive Officer

5 April 2022

Directors for the year ended 31 December 2021

Jeremy Parrish – Chairman and Independent Non-executive director

Jeremy Parrish joined the Board in 2017 with over four decades of banking experience. After starting his career with the ANZ Grindlays Group (which included postings to Hong Kong and Switzerland), he joined Standard Chartered Bank in 1994 as Head Of Corporate Banking, Europe. Following further international postings to Singapore and Tokyo, he returned to London as the Regional Head of Wholesale Banking for Europe. In 2005, after five years in the role, he was transferred to Abu Dhabi as CEO and, from 2010, as CEO UAE with overall responsibility for the UAE area. In 2011 he returned to Switzerland as CEO of Standard Chartered Bank, Switzerland. He is currently a non-executive director and Chairman of Julius Baer International Ltd. He is also Chairman of Anglo Gulf Trade Bank in Abu Dhabi, UAE.

Roberts Grava – Chief Executive Officer

Roberts Grava is Chief Executive Officer of Crown Agents Investment Management Limited, having joined in June 2020. Roberts has nearly 30 years of experience in institutional investment management, having served in senior roles in both the public and private sectors, on the buy- and sell-sides. While he has experience working with clients and portfolios across industries globally, Roberts has particular expertise with central banks, sovereign wealth funds, national pension funds and other official institutions. He has been Head of Official Institutions and Managing Director at J.P. Morgan Asset Management, first in the global Fixed Income team in London, and later in the Multi-Asset Institutional Solutions and Advisory group, based in the USA. Roberts has worked at the World Bank twice, first as Principal Financial Officer and one of the original engagement managers of the RAMP program, and later as Director of Quantitative Strategies, Risk and Analytics at the World Bank Treasury. He spent 11 years at Latvijas Banka, the Central Bank of Latvia, in roles including Chief Investment Officer, Head of Reserves Management, Head of Market Operations and Member of the Board. During this time, he represented Latvia on various committees at the European Central Bank. Roberts has been a frequent speaker at institutional investment events globally and has written on topics relevant to official institution investors. He has a degree in Economics from Columbia University, and is a CFA charterholder.

Richard Hallett – Chief Financial Officer

Richard Hallett is the Chief Financial Officer of the Company, having joined in June 2016. Richard's career spans more than 25 years in top tier financial services organizations with an extensive track record across Investment Banking, Commercial and Retail Banking sectors both regionally and globally. He was formerly CFO of Barclays Africa and CFO of Absa Capital. Previous roles to this include UK & Europe CFO and Global Business Unit Controller at RBS, Managing Director, European Head of Fixed Income Product Control and Global Head of Interest Rates Product Control at Morgan Stanley, and Director and Global Head of Expense Management at Credit Suisse First Boston. Richard started his career at Price Waterhouse, is a qualified accountant and holds a BSc. (Hons) in Chemistry from the University of East Anglia.

Chris Green – Chief Risk Officer

Chris joined the Board in 2020 as Chief Risk Officer and Head of Compliance. Chris has over 25 years of corporate financial services experience mainly in senior risk leadership roles. He joined the Company from Royal Bank of Scotland where his senior roles included: Head of Portfolio Management for Commercial Banking, Head of Commercial Credit, and Head of Risk for Business and Commercial Banking. Prior to that, he worked for GE Capital where he held Chief Risk Officer roles for several of their businesses both in France and EMEA.

Jennifer Johnson-Calari – Independent Non-executive director

Jennifer Johnson-Calari joined the Board in June 2019 as non-executive director, with over four decades of experience in financial markets, portfolio and risk management, and bank supervision at the World Bank's Treasury, the US Comptroller of the Currency (OCC) and the Board of Governors of the Federal Reserve System (FRB). At the World Bank Treasury, Ms. Johnson-Calari was part of the Executive Committee responsible for the management of over $110bn in global financial assets and led the Treasury's Reserves Advisory Management Program (RAMP), working globally with official sector asset managers in building capacity. She also contributed to the setting of standards of best practice for central bank reserves management and sovereign wealth funds. At the OCC and Federal Reserve Board, she contributed to bank supervisory policy governing multinational bank's market risk management and international harmonization of bank capital adequacy standards.

She has published extensively and spoken widely on governance and investment management issues. Ms. Johnson-Calari is a graduate of Harvard's General Management Program, earned an MA at Johns Hopkins University and is a Chartered Financial Analyst. She currently serves on the Advisory Committee of the World Gold Council and on the Board of Directors of a non-profit organization.

Karen Jordan – Independent Non-executive director

Karen has an auditing background and qualified as a Chartered Certified Accountant in 1992. Specialising in banking and asset management, Karen's executive roles included stints at PwC, Barclays and an international role at State Street, covering Europe and Asia. She has advised on global and cross-border regulatory and law enforcement matters involving a range of complex governance, regulatory and reputational challenges. She also took the lead role in ensuring that projects to provide redress to customers due to mis-selling or wrongdoing were well-managed and produced fair outcomes for those customers.

Karen now holds a small number of roles as an independent non-executive director and Committee Chair. These roles include, in addition to Crown, two financial services companies and the whistleblower protection charity, Protect.

Albert Maasland – Independent Non -Executive Director

Albert Maasland started his career in banking at Chase Manhattan Bank – later JP Morgan – and during his 11 years career was involved in transforming and building a range of highly successful and profitable business units. This included launching the first generation of cross-border electronic transaction banking services and setting up teams in global cash management, institutional and Custody areas before he moved to the Markets division as Head of FX sales for Chase.

Albert later became Global Head of Business Development at HSBC Markets before tackling the transformation of the FX business at Deutsche Bank, helping steer them from 24th to the number one FX provider worldwide. He took on various other roles before joining the Deutsche Bank Wholesale and the Investment Bank's Management Committee.

He founded or co-founded a number of start-up businesses before returning to banking and helped establish the global e-commerce business at Standard Chartered before moving to Saxo Bank where he fulfilled numerous roles including CEO of Saxo Bank UK and then Chairman of Saxo Capital Markets UK. He was CEO of Knight Capital Europe and subsequently KCG Europe. In February 2017 he became Group CEO of Crown Agents Investment Management Limited and its sister company, Crown Agents Bank Limited.

Albert retired as Group CEO in 2021 after overseeing the significant transformation of the business. He continues as a Non-Executive Director of the Group holding company CABIM Limited and of Crown Agents Investment Management Limited as well as providing advisory services to a variety of Fintech and other businesses.

Directors for the year ended 31 December 2021 (continued)

Arnold Ekpe – Non-executive director

Arnold Ekpe joined the Board in April 2016 and has degrees in engineering and business administration. He has over 30 years of experience of international banking. He has previously served as the CEO of the two leading Pan African banks, Ecobank and UBA and was responsible for developing Citibank's corporate and structured trade finance business in Sub Saharan Africa.

He is currently the Chairman of Baobab, the leading France based pan African Microfinance Banking Group; a Non-executive director of the Dangote Group, the leading pan-African industrial group; Senior Adviser and member of the Investment Committee of US based Equator Capital Partners LLC; non-executive director of Aavishkaar Venture Management Services, India; and Chairman of the Business Council for Africa.

Simon Poole – Non-executive director

Simon Poole joined the Board in April 2016 bringing with him broad finance and administration experience across a range of businesses in numerous African countries. Previously, he was a CFO with Intela Global Ltd, Lawson's Corporation and Celtel International (in Burkina Faso, Chad and DRC). Earlier in his career he held finance and accounting roles with Price Waterhouse, Bank of America and BT. Since 2011, he has been an Operating Partner with Helios Investment Partners. He was previously a director of both Helios Towers Africa Limited and Vivo Energy Limited. He currently serves on the boards of directors of Solevo B.V.

He received his BSc in Geography from Exeter University, UK. He qualified as a Chartered Accountant with Price Waterhouse and is a member of the Institute of Chartered Accountants in England and Wales. Simon is fluent in French.

Strategic Report for the year ended 31 December 2021

Strategic Direction

The Company's strategy will continue to focus on expanding its range of products/solutions as well as its geographical focus as outlined in our five-year strategic plan. The Company's annual re-assessment of its markets and its position in them confirms that this focus is broadly appropriate.

The Company expects to see growth through new funds under management having made recent investment to support this growth. This will focus on continuing to improve client coverage, proactively engaging with prospective clients, building broader investment strategies and products and ensuring best practice risk and operational processes and systems.

Review of Performance

2021 was a transitional year, by design. As we started the execution of our strategic plan, bolstered by a £500k capital injection at the beginning of the year, we hired key staff in risk management and business development areas, increasing our cost base. These hires helped strengthen processes and broaden client acquisition efforts and led to increased and newly awarded discretionary and nondiscretionary investment management mandates. Assets under management grew from £1,696mn. at the end of 2020 to £1,929mn. at the end of 2021, and further mandates won in Q4 of 2021 would fund in early 2022. Despite the growth in assets under management, turnover was essentially flat in 2021, a consequence of new asset inflows coming in relatively later in the year as well as a stronger GBP rate vs. the US dollar, slightly reducing the GBP value of USD income. Profitability decreased as expected, due to the new investments, but was better than 2021's plan. We expect both revenues and profitability to improve significantly in the coming years, as our strategic efforts to strengthen product and business development bear fruit.

Key Performance Indicators	2021	2020
Turnover (£'000)	**2,640**	2,696
Loss before tax (£'000)	**(803)**	(228)
Return on capital employed based on start of year shareholder's funds	**(29.9)%**	(8.0)%
Funds under management (£M)		
- discretionary	**1,164**	1,100
- non discretionary	**765**	596
Total	**1,929**	1,696

Strategic Report for the year ended 31 December 2021 (continued)

Financial Position of the Company

The Company's financial position at the end of the year was as follows:

	2021 £'000	2020 £'000
Total Assets	**3,418**	3,804
Total Shareholder's Funds	**2,539**	2,690

Principal Risks and Uncertainties

The Company's Board determines overall strategy, the markets in which it will operate and the levels of risk acceptable to the Company.

Day to day management of risk is undertaken by the Company's management committees assisted by Risk Management. As part of its risk management strategy, management reviews the level of expected US dollar income and costs and may hedge part of the expected net US dollar income for the following year if the amounts involved are material. Such hedging is undertaken using forward foreign exchange deals and/or options to cover the anticipated net cash inflows.

The most significant risks to the Company's business are failure to manage clients' funds in accordance with agreed guidelines and the loss of key staff or the largest client accounts. Investment guidelines are discussed and agreed with clients and incorporated in client agreements and there are day to day controls in place to ensure guidelines are adhered to at all times. The Company recognises the importance of attracting and retaining staff with appropriate specialist knowledge and skill sets. It regularly monitors remuneration packages and ensures training needs are fully satisfied. Client relationships are managed closely by an executive director or senior fund manager to ensure delivery of the highest quality service.

The Company has successfully navigated the risks and uncertainties relating to Coronavirus 19 since March 2020. Whilst the outlook remains more positive in the UK as the country moves to a 'new normal', the Company remains vigilant and ready to respond any further potential impacts.

Client engagement has been more difficult as travel restrictions stopped international business travel, but clients quickly adopted to virtual meetings via Zoom, Teams and other communications methods. The Company designed and implemented a successful webinar series to communicate investment views and thought leadership to clients and prospects, as well as deliver capacity building and training commitments. We expect the webinar series to continue, as it presents an efficient way to communicate with a broad array of institutions efficiently.

Strategic Report for the year ended 31 December 2021 (continued)

Principal Risks and Uncertainties (continued)

The Covid-19 pandemic affected the economies of many of our clients, with initial pressures on national balance sheets and federal budgets leading to a small minority to request partial redemptions of investment accounts to meet acute budget requirements. The global slowdown in economic growth also dampened expectations and results in growing assets under management in 2020, but it is notable that none of the Company's central bank client accounts were fully redeemed or closed in 2020. By the end of the calendar year, opportunities for account acquisition returned, and we expect them to persist and grow throughout 2021.

Going forward, the Company, its clients and prospects have adapted to the realities of working in a global pandemic, and we believe the positive outcomes from vaccine rollout, economic stimulus and policymaker support should contribute to a positive economic and business environment in 2021, albeit one different than might have been imagined before the pandemic.

Conflict In Ukraine

Following the Russian invasion of Ukraine on Thursday 24th February 2022, governments around the world reacted with unprecedented unity in imposing financial sanctions on Russia and Belarus, expanding sanctions regimes with significant scale and speed. CAIM does not have any clients located in Russia, Belarus and Ukraine. Only a limited amount of discretionary investment management accounts managed by CAIM allow potential investments in securities issued by entities in Russia, Belarus and Ukraine; no CAIM investment management accounts had exposures to Russian, Belarussian or Ukrainian issuers at year-end 2021, nor during 2022 to date. Management have therefore concluded that there will be limited financial and business impact on CAIM.

Other Matters

Management is conscious of the FCA's Pillar 3 Capital Adequacy disclosure requirements and the information, including remuneration, can be found on the Company website - www.caiml.co.uk.

On behalf of the Board,

Roberts Grava

Chief Executive Officer

5 April 2022

Director's Report for the year ended 31 December 2021

The directors submit their report and the audited financial statements of the Company for the year ended 31 December 2021.

Principal Activities

The principal activity of the Company is the provision of investment management services. The Company is authorised and regulated by the Financial Conduct Authority (FCA).

Future Developments

The Company will continue to provide investment management, advisory, training and capacity building services. With recent investments in key personnel, we plan to broaden our product offering, maintain strong risk-adjusted investment performance, strengthen client engagement and drive AUM and revenue growth. We plan further investment in personnel, systems and the control environment in line with the pace of growth, to adequately support all aspects of the business.

Dividends

There were no dividends paid or proposed in the year (2020: £nil).

Political Donations

No political donations were made in 2021 or 2020.

Financial risk management

Details of financial risk management are set out on page 12 within the Strategic Report.

Employee Matters

(a) Employee Engagement Survey

On an annual basis the Group carries out an Employee Engagement Survey. Through a company-wide questionnaire and a series of focus groups, the Group explores how it measures up to its stated values/ industry benchmark and how well engaged employees are with their roles. The most recent survey, carried out in in January 22, was specifically designed to ask questions about employees' experience that have taken centre stage as a result of the pandemic, and political and social injustice movements. The focus was on how well we have done in supporting our employees through the pandemic and creating an inclusive and fair place to work. This was consistent with industry practice for 2021.

(b) Disabled Persons

Our commitment is to promote diversity and inclusion in the workplace to attract talented individuals. Our process is to treat all applications for employment in a fair and consistent manner. In the event of members of staff becoming disabled we make every effort to identify ways of adapting the workplace for those with disabilities.

Director's Report for the year ended 31 December 2021 (continued)

Employee Matters (continued)

(c) Employee Involvement

The Group uses a variety of methods to disseminate relevant information to its employees. All managers hold regular meetings with their staff for this purpose, at which there are also opportunities for employees to contribute their ideas to the development of management policy. There is also Conduct and Culture Forum and a Culture Champion Forum sponsored by an executive manager and led by the employees. The purpose of these forums is to enable us to build an engaging, inclusive and collaborative culture. In addition, further information is given at quarterly townhall meetings hosted by the Group Chief Executive Officer, through the intranet, notices and via webinars/ training programmes.

(d) Gender diversity

The proportion of women and men employed by the Company is 27% and 73% respectively.

Climate Change

We recognise that the risks associated with climate change are subject to rapidly increasing prudential, regulatory, political, and societal focus both in the UK and internationally.
Based on our current strategy and business model we consider that we are more likely to be impacted by one-off Climate-related events such as hurricanes and flooding, rather than by the long term goal of a low-carbon economy.

We will continue to use the Task Force On Climate Related Financial Disclosures industry guidance and other publicly available indices to assess relevant countries and their relative vulnerability to climate change.

We are very aware that some of the clients that we provide services to may be more susceptible to Climate-related events in the short term, which may have an impact on the size of the portfolio held with us. However, we have not yet seen any evidence of this, and we will continue to monitor the situation as appropriate.

The Company is conscious of the Streamlined Energy and Carbon Reporting requirements. The Company rents floor space off its sister company, Crown Agents Bank Limited. The Company uses 1,000 sq ft of office space out of a total floor space of 18,150 sq ft. Crown Agents Bank Limited's energy usage for 2021 totalled 385,360 KWH. Since the Company's energy use for 2021, on a pro-rata basis, totalled 21,232 KWH, which is less than the minimum reporting level of 40,000 KWH, no Climate Change Disclosures are required.

Director's Report for the year ended 31 December 2021 (continued)

Directors

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

	Gender
J Parrish* (Chairman)	M
J Johnson-Calari*	F
K Jordan* (appointed 29 June 2021)	F
A Ekpe**	M
S Poole**	M
A Maasland*	M
R Grava	M
R Hallett	M
C Green	M

*independent non-executive director ** non-executive director

Statement of Directors' Responsibilities in respect of the Financial Statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Director's Report for the year ended 31 December 2021 (continued)

Statement of Directors' Responsibilities in respect of the Financial Statements (continued)

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' Confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Directors' Indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Shareholders Matters

As laid out in its Articles of Association, the Company has dispensed with holding annual general meetings and with the laying of financial statements before shareholders in general meeting.

Independent Auditors

The Company will be re appointing Mazars LLP as auditors for the year ended 31 December 2022.

On behalf of the Board,

R Grava
Chief Executive Officer

5 April 2022

Independent Auditors' Report to the members of Crown Agents Investment Management Limited

Opinion

We have audited the financial statements of Crown Agents Investment Limited (the 'company') for the year ended 31 December 2021 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent Auditors' Report to the members of Crown Agents Investment Management Limited (continued)

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent Auditors' Report to the members of Crown Agents Investment Management Limited (continued)

Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities in respect of the Financial Statements set out on page 14, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: financial crime regulations, regulatory and supervisory requirements of the Financial Conduct Authority ('FCA').

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Gaining an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considering the risk of acts by the company which were contrary to the applicable laws and regulations, including fraud;
- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with the FCA;

Independent Auditors' Report to the members of Crown Agents Investment Management Limited (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Reviewing minutes of directors' meetings in the year; and
- Discussing amongst the engagement team the laws and regulations listed above and remaining alert to any indications of non-compliance.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as UK tax legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to impairment assessment of intangible assets, and revenue recognition (which we related to the occurrence, accuracy and cut off assertions).

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected, or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud;
- Addressing the risks of fraud through management override of controls by performing journal entry testing; and
- Reviewing the accounting estimate in relation to valuation of intangible asset for evidence of management bias and performing procedures to respond to the fraud risk in revenue recognition.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

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

Independent Auditors' Report to the members of Crown Agents Investment Management Limited (continued)

Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Maximiliano Bark (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House
St. Katharine's Way
London, E1W 1DD

5 April 2022

Income Statement for the year ended 31 December 2021

	Note	**2021** **£'000**	2020 £'000
Turnover	2	**2,640**	2,696
Currency loss		**(20)**	(41)
Administrative expenses	3	**(3,426)**	(2,887)
Operating loss		**(806)**	(232)
Interest receivable and similar income	4	**3**	4
Loss		**(803)**	(228)
Tax on loss	6	**152**	40
Loss for the financial year		**(651)**	(188)

There were no other items of Comprehensive Income (2020: £nil).

The results for the year are wholly attributable to continuing operations.

The notes on pages 26-44 form part of these financial statements.

Balance Sheet as at 31 December 2021

	Note	**2021** £'000	**2021** £'000	2020 £'000	2020 £'000
Fixed Assets					
Intangible assets	7		**447**		496
Tangible assets	8		**3**		1
Total Fixed Assets			**450**		497
Current Assets					
Debtors, prepayments and accrued income	9	**969**		704	
Deferred tax	14	-		44	
Derivatives	10	-		37	
Cash at bank and in hand	11	**1,999**		2,522	
		2,968		3,307	
Creditors – amounts falling due within one year	12	**(863)**		(1,114)	
Derivatives	10	**(16)**		-	
		(879)		(1,114)	
Net Current Assets			**2,089**		2,193
Total Assets Less Current Liabilities			**2,539**		2,690
Capital and reserves					
Called up share capital	13		**2,150**		1,650
Profit and loss account			**389**		1,040
Total Shareholder's Funds			**2,539**		2,690

The notes on pages 26-44 form part of these financial statements.

The Board of Directors approved the financial statements on 5 April 2022.

R Grava
Director

R Hallett
Director

Company registration number 02169973

Statement of changes in Equity for the year ended 31 December 2021

	Called up share capital £'000	Profit and loss account £'000	Total £'000
Balance as at 1 January 2020	1,650	1,228	2,878
Loss for the financial year	-	(188)	(188)
Balance as at 31 December 2020	1,650	1,040	2,690
Balance as at 1 January 2021	**1,650**	**1,040**	**2,690**
Capital injection	**500**	**-**	**500**
Loss for the financial year	**-**	**(651)**	**(651)**
Balance as at 31 December 2021	**2,150**	**389**	**2,539**

There were no dividends paid or proposed in the year (2020: £nil).

Cash Flow Statement for the year ended 31 December 2021

	Note	£'000	£'000
Net cash (outflow)/ inflow from Operating Activities	**17**	**(1,013)**	224
Cash flow from Investing Activities			
Capitalised expenditure	**7**	**(2)**	-
Purchase of tangible assets	**8**	**(2)**	-
Interest received		**3**	3
Net cash used in investing activities		**(1)**	3
Cash flow from Financing Activities			
Capital injection	**13**	**500**	-
Net cash received from financing activities		**500**	-
Net (decrease)/ increase in cash at bank		**(514)**	227
Cash at bank at the beginning of the year		**2,552**	2,316
Exchange loss on cash at bank		**(10)**	(21)
Cash at bank and in hand at the end of the year	**11**	**1,999**	2,522

Notes to the Financial Statements for the year ended 31 December 2021 - Contents

Notes to the Financial Statements for the year ended 31 December 2021

1. STATEMENT OF ACCOUNTING POLICIES

(a) General information

Crown Agents Investment Management Limited is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is Quadrant House, The Quadrant, Sutton, Surrey, SM2 5AS

The principal activity of the Company is the provision of investment management services.

(b) Statement of compliance

The financial statements of Crown Agents Investment Management Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006. The principal accounting policies are set out below and have been consistently applied throughout the year.

(c) Basis of preparation

These financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom. The derivative financial assets and liabilities are held at fair value through profit and loss.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 1(p).

(d) Going concern

The directors have considered the financial position of the Company, including the net current asset position, regulatory capital requirements and estimated future cash flows and have concluded that there is reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from when these financial statements are authorised for issue and that the Company will be able to meet its obligations as they fall due. Accordingly, the financial statements have been prepared on the going concern basis. In making this conclusion the directors have considered key risks and uncertainties in the environment, including the impact of Covid-19.

(e) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, if certain conditions have been complied with. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated. The Company has taken advantage of certain disclosure exemptions.

1. STATEMENT OF ACCOUNTING POLICIES (continued)

(f) Foreign currency translation

i) Functional and presentation currency

The financial statements are presented in pounds sterling and rounded to thousands.

The Company's functional and presentation currency is pounds sterling.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement within Currency Gain/ Loss.

(g) Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred taxation is provided at anticipated tax rates, using the full provision method, on all timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

1. STATEMENT OF ACCOUNTING POLICIES (continued)

(g) Taxation (continued)

Deferred tax is recognised on all timing differences at the reporting date with certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

(h) Intangible assets and amortisation

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. The directors have decided that amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Core system software – 10 years.
Other software – 5 years (or the life of the license which ever less).
Brand/name – 50 years.

Costs associated with maintaining computer software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

1. STATEMENT OF ACCOUNTING POLICIES (continued)

(i) Tangible fixed assets and depreciation

Tangible fixed assets are stated in the balance sheet at historic cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bring the asset to its working condition for its intended use. Assets are depreciated from the date they are brought into use. Depreciation is calculated to write down assets to their residual value in equal instalments over their estimated useful lives, which are:

Computer equipment	5 years

(j) Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication, the recoverable amount of the asset is compared to the carrying amount of the asset.

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's continued use. The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the operating profit, unless the asset has been revalued when the amount is recognised in the income statement to the extent of any previously recognised revaluation. Thereafter any excess is recognised in the income statement.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation and amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

(k) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits held at call with banks.

(l) Financial instruments

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including debtors and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the profit and loss account.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the profit and loss account.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction.

Derivatives

The Company uses forward foreign exchange contracts to manage the cash flow exposures of forecast transactions denominated in foreign currencies. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-valued at their fair value. Changes in the fair value of derivatives are recognised in the Income Statement in Currency Gain/Loss. Hedge accounting is not applied.

Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Creditors are recognised initially at transaction price and subsequently, where appropriate, measured at amortised cost using the effective interest method.

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

1. STATEMENT OF ACCOUNTING POLICIES (continued)

(l) Financial instruments (continued)

(ii) Financial liabilities (continued)

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(m) Employee benefits

The Company provides a range of benefits to employees, including annual bonus arrangements, medical insurance, paid holiday arrangements and pension contributions.

Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Defined contribution pension plans

All the pension contributions are accounted for as defined contributions and paid over on a monthly basis. No liability for pension entitlement accrues to the Company.

Termination benefits

Termination benefits are recognised in the profit and loss account when legally binding.

(n) Turnover

Turnover represents fee income from the provision of investment management services. Fee income is recognised as the related services are provided.

(o) Interest Income And Expense

Interest income and expense for all interest-bearing financial instruments, including interest accruals on related foreign exchange contracts and income from money market funds, are recognised within Interest Income and Interest Expense in the profit and loss account using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability.

1. STATEMENT OF ACCOUNTING POLICIES (continued)

(p) Critical accounting judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which they arose.

Estimates are revised and in any future periods affected. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The assumptions by nature therefore incorporate judgement over uncertain future events and are therefore subject to change.

Capitalisation Of Intangible Assets
The Company is conscious of the need to ensure a clear delineation between research costs, which can not be capitalised, and development costs. Particularly with respect to internal costs, the control of the process is maintained by the completion and authorisation of time sheets

Intangible Asset Impairment Review
The carrying value of the intangible assets has been reviewed against the higher of the fair value and the value in use of the appropriate cash generating unit. The cash generating unit is deemed to be the Company. Impairments are applied as appropriate.

No impairment was deemed necessary in 2021 (2020 – none).

In addition, the useful economic life of each category of the intangible assets has been reviewed to ensure that the period of amortisation as set out in the accounting policy remains appropriate

The Directors are of the view that there are no other critical accounting judgements or key sources of estimation uncertainty.

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

2. TURNOVER

A geographical analysis of the source of turnover by the clients' location is:

	2021 %	2020 %
Africa	**40**	46
Caribbean, Atlantic and the Americas	**38**	34
UK	**2**	2
Rest of Europe	**20**	18
	100	100

3. ADMINISTRATIVE EXPENSES

	2021 £'000	2020 £'000
Staff costs and directors' emoluments* (Note 5)	**1,982**	1,452
Amortisation	**51**	51
Management fees charged*	**430**	430
Administrative and other expenses*	**963**	954
	3,426	2,887

* payable through/ to other group companies

The administrative and other expenses include remuneration for the auditors. The fees payable to the auditors were £33K (2020: £40K) for auditing the financial statements, £35K (2020: £40K) for audit related assurance services and £nil (2020: £nil) for other services.

The Company operates in one area, that of investment management in the United Kingdom.

4. INTEREST RECEIVABLE AND SIMILAR INCOME

Interest receivable of £3K (2020 – £3K) arises from monies deposited with Crown Agents Bank Limited, a fellow group company.

5. STAFF COSTS AND DIRECTORS' EMOLUMENTS

Staff Costs and Directors' Emoluments

	2021 £'000	2020 £'000
Wages and salaries	**1,200**	954
Social security costs	**194**	142
Pension costs	**82**	72
Other costs (inc redundancies, bonuses and external consultants)	**506**	284
	1,982	1,452

The aggregate emoluments and pension contributions of the directors were £468K (2020: £267K) and key management were £254K (2020: £226K).

The aggregate emoluments and pension contributions of the highest paid director were £695K (2020: £222K) and £4K (2020: £nil) respectively.

No retirement benefits (2020: £nil) accrued to directors under defined benefits pension schemes during the year.

The monthly average number of full time staff, including executive directors, was 13 (2020: 15).

The Company operates a defined contribution pension scheme. The Company contributed £82K (2020: £72K) to this scheme during the year of which £7K (2020 - £7K) was paid after the year end.

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

6. TAX ON (LOSS)/ PROFIT

A Analysis of Charge for the Year

	2021 £'000	2020 £'000
Current Tax		
Corporation tax based on the loss for the year	-	-
	-	-
Deferred Tax		
- Due to change in tax rates	-	2
- Other	(152)	(42)
	(152)	(40)
Total tax credit	(152)	(40)

B Factors Affecting Tax Charge for the Year

	2021 £'000	2020 £'000
Loss before taxation	(803)	(228)
Standard rate of corporation tax of 19.00%	(153)	(43)
Other adjustments	-	(1)
Effect of change in tax rates	-	2
Deferred tax – timing differences	1	2
Total tax credit	(152)	(40)

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase from 19% to 25%. The figures above incorporate the increased tax rate in respect of timing differences expected to reverse after that date.

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

7. INTANGIBLE ASSETS

	Brand/ Name £'000	Intangible Assets – Core Software £'000	Total £'000
Cost			
At 1 January	125	490	615
Additions	-	2	2
Disposals	-	(12)	(12)
At 31 December	**125**	**480**	**605**
Accumulated amortisation			
At 1 January	4	115	119
Charge	2	49	51
Disposals	-	(12)	(12)
At 31 December	**6**	**152**	**158**
Net Book Value at 31 December 2021	**119**	**328**	**447**
Net Book Value at 31 December 2020	121	375	496

An impairment review was performed on the intangible assets based on the Company being the appropriate cash generating unit.

No impairment was required (2020 - £nil).

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

8. TANGIBLE ASSETS

	Tangible Assets – Computer Equipment £'000
Cost	
At 1 January	3
Additions	2
Disposals	-
At 31 December	**5**
Accumulated depreciation	
At 1 January	2
Charge	-
Disposals	-
At 31 December	**2**
Net Book Value at 31 December 2021	**3**
Net Book Value at 31 December 2020	1

9. DEBTORS, PREPAYMENTS AND ACCRUED INCOME

	2021 £'000	2020 £'000
Trade debtors	**67**	55
Amounts due from group companies	**195**	-
Prepayments	**40**	34
Accrued income	**667**	615
	969	704

10. DERIVATIVES

A proportion of the US dollar management fee income received quarterly is economically hedged using a series of forward foreign exchange as follows:

	Notional Principal £'000	Positive Fair Value £'000	Negative Fair Value £'000
Forward Foreign Exchange			
2021	**689**	**-**	**16**
2020	705	37	-

Fair value is the amount for which an asset or liability could be exchanged between willing parties in an arm's length transaction. Fair values are determined at prices quoted in active markets. In some instances, such price information is not available for all instruments and the Company applies valuation techniques to measure such instruments. These valuation techniques make maximum use of market observable data but in some cases, management estimate other than observable market inputs within the valuation model. There is no standard model and different assumptions would generate different results.

Level 1 - Quoted price for an identical asset in an active market
Inputs to level 1 fair value are quoted prices (unadjusted) in active markets for identical assets. An active market is one in which transactions for the asset occurs with sufficient frequency and volume to provide pricing information on an on-going basis. The Company did not have any such instruments.

Level 2 – Price of a recent transaction for an identical asset
The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Derivatives contracts are included in level 2.

Level 3 – Valuation technique (ie internal models with significant unobservable market parameters)
Inputs to level 3 fair values are based on unobservable inputs for the assets at the last measurement date. If all significant inputs required to fair value an instrument are observable then the instrument is included in level 2, if not it is included in level 3. The Company did not have any such instruments.

11. CASH AT BANK AND IN HAND

The amount, £1,998,632 (2020 - £2,522,145) relate to call accounts with a fellow group company, Crown Agents Bank Limited.

12. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £'000	2020 £'000
Amounts owed to group undertakings	-	614
Deferred tax (Note 14)	21	21
Other creditors, accrued expenses and deferred income	842	479
	863	1,114

13. CALLED UP SHARE CAPITAL

	2021 £'000	2020 £'000
Issued, allotted and fully paid (ordinary shares of £1 each)		
As at 1 January	1,650	1,650
New share capital	500	-
As 31 December	2,150	1,650

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

14. DEFERRED TAX

Deferred Tax Asset

	2021 £'000	2020 £'000
As at 1 January	44	-
Surrendered as group relief	(44)	-
Charge to P&L	-	44
As at 31 December	-	44

Deferred Tax Liability

	2021 £'000	2020 £'000
As at 1 January (at 19%; 2020 – 19%)	(21)	(17)
Charge to profit and loss	-	(4)
As at 31 December (at 23.5%; 2020 – 19%)	(21)	(21)

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

15. RISK MANAGEMENT

(i) Liquidity Risk: the Company seeks to ensure that, at all times, it has sufficient cash resources to meet its liabilities as they fall due. The liquidity position is monitored on a daily basis.

The liquidity profile of the Company is as follows:

Assets 2021	**Less than 3 months £'000**	**More than 3 months less than 1 year £'000**	**Total £'000**
Debtors, prepayments and accrued income	**969**	**-**	**969**
Cash at bank	**1,999**	**-**	**1,999**
	2,968	**-**	**2,968**

Liabilities 2021	**Less than 3 months £'000**	**More than 3 months less than 1 year £'000**	**Total £'000**
Creditors	**863**	**-**	**863**
Derivatives	**2**	**14**	**16**
	865	**14**	**879**

15. RISK MANAGEMENT (continued)

Assets 2020	Less than 3 months £'000	More than 3 months less than 1 year £'000	Total £'000
Debtors, prepayments and accrued income	704	-	704
Deferred tax	-	44	44
Derivatives	6	31	37
Cash at bank	2,522	-	2,522
	3,232	75	3,307

Liabilities 2020	Less than 3 months £'000	More than 3 months less than 1 year £'000	Total £'000
Creditors	1,114	-	1,114
Derivatives	-	-	-
	1,114	-	1,114

(ii) Currency Risk: the Company does not engage in currency speculation. The Company's currency risk is largely hedged by forward foreign exchange contracts (see note 10). The table below shows the Company's transactional currency exposure (USD only) in its book; that is those non-structural exposures that give rise to the net currency gains and losses recognised in the profit and loss account. Such exposures comprise the monetary assets and monetary liabilities of the Company that are not denominated in sterling.

As at 31 December, these exposures were as follows:

2021 - Currency (£'000 equivalent)	**US$**	**Total**
Assets	**169**	**169**
Net forward purchases	**177**	**177**
	346	**346**

2020 - Currency (£'000 equivalent)	US$	Total
Assets	868	868
Net forward purchases	704	704
	1,572	1,572

15. RISK MANAGEMENT (continued)

The foreign currency profile of the Company is as follows:

	2021	2020
	£'000	£'000
Assets		
Denominated in sterling	**3,249**	2,936
Denominated in other currencies	**169**	868
	3,418	3,804
Liabilities and equity		
Denominated in sterling	**3,418**	3,804
Denominated in other currencies	**-**	-
	3,418	3.804

A 10% depreciation in the value of £ against all other currencies would increase the Company's net asset value by £85K (2020: £157K).

16. FINANCIAL INSTRUMENTS

The carrying value of the Company's financial assets and liabilities is as follows:

Financial assets	Note	Assets at FVTPL*	Financial assets at amortised cost	Total
		£'000	£'000	£'000
2021				
Debtors	**9**	**-**	**969**	**969**
Cash at bank and in hand	**11**	**-**	**1,999**	**1,999**
		-	**2,968**	**2,968**
		£'000	£'000	£'000
2020				
Debtors	9	-	55	55
Derivative financial instruments		37	-	37
Cash at bank and in hand	11	-	2,522	2,522
		37	2,577	2,614

* FVTPL - Fair value charged through profit and loss

Notes to the Financial Statements for the year ended 31 December 2021 (continued)

16. FINANCIAL INSTRUMENTS (continued)

Financial liabilities	Note	Liabilities at FVTPL*	Financial liabilities at amortised cost	Total
		£'000	£'000	£'000
2021				
Derivative financial instruments	**10**	**16**	**-**	**16**
Other creditors and accrued expenses	**12**	**-**	**863**	**863**
		16	**863**	**879**
		£'000	£'000	£'000
2020				
Amounts owed to group undertakings	12	-	614	614
Derivative financial instruments	10	-	-	-
Other creditors and accrued expenses	12	-	479	479
		-	1,093	1,093

* FVTPL - Fair value charged through profit and loss

17. NOTES TO THE CASH FLOW STATEMENT

Reconciliation of profit before taxation to net cash flow from operating activities

	2021 **£'000**	2020 £'000
Loss before taxation	**(803)**	(229)
Less - interest receivable	**(3)**	(4)
Effect of currency exchange rate changes	**62**	2
Amortisation of intangible assets	**51**	51
Increase in debtors, prepayments and accrued income	**(69)**	(8)
Increase/(decrease) in creditors	**(251)**	412
Net cash (outflow)/ inflow from operating activities	**(1,013)**	224

18. HOLDING COMPANY

The immediate parent undertaking is CABIM Limited which is the smallest and largest group to consolidate these financial statements as at 31 December 2021. The ultimate parent undertaking and controlling party is Helios Investors III LP, acting through its general partner Helios Investors Genpar III LP. Helios Investors Genpar III LP is registered in the Cayman Islands with its registered office at PO Box 309GT, Ugland House, South Church Street, Grand Cayman, Cayman Islands KY1-1104.

Copies of the financial statements of CABIM Limited may be obtained from Quadrant House, The Quadrant, Sutton, Surrey SM2 5AS.

19. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption provided under section 33.1A of FRS 102 "Related Party Transactions", because it is a wholly owned subsidiary of CABIM Limited.

20. CREDIT EXPOSURES

The Company's credit exposures are its Cash At Bank And In Hand (Note 5) and its Debtors (see Note 9).

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