

425089 | 80

~~ana~~

FC22800

ABACUS GROUP SERVICES UK LIMITED

Report and Financial Statements

31 October 2012

FRIDAY



A24608QO

A20

15/03/2013

#33

COMPANIES HOUSE

ABACUS GROUP SERVICES UK LIMITED

REPORT AND FINANCIAL STATEMENTS 2012

CONTENTS	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	3
Statement of financial position	4
Statement of comprehensive income	5
Statement of changes in equity	6
Statement of cash flows	7
Notes to the financial statements	8

ABACUS GROUP SERVICES UK LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

G W Dick
P J Rose

SECRETARY

RBC Secretaries (CI) Limited

REGISTERED OFFICE

La Motte Chambers
St Helier
Jersey JE1 1BJ
Channel Islands

ADVOCATES

Mourant Ozannes
PO Box 87
22 Grenville Street
St Helier
Jersey JE4 8PX
Channel Islands

ABACUS GROUP SERVICES UK LIMITED

DIRECTORS' REPORT

The directors present their annual report and the unaudited financial statements of Abacus Group Services UK Limited (the "Company") for the year ended 31 October 2012

INCORPORATION

The company was incorporated in Jersey, Channel Islands on 25 July 2000

ACTIVITIES

The principal activity of the company is provision of managerial services and is unchanged since last year

RESULTS

The results for the year ended 31 October 2012 are set out in the Statement of Comprehensive Income on page 5

DIVIDENDS

No dividend was paid in the year ended 31 October 2012 (2011 £ nil)

DIRECTORS


The present directors of the Company are stated on page 1 and have all served throughout the year and since the year end, except for as stated below

R P Patterson (resigned 1 October 2012)

SECRETARY

The present secretary of the Company is stated on page 1 and has served throughout the year and since the year end

Approved by the Board of Directors and signed on behalf of the Board



Authorised Signatory
RBC Secretaries (CI) Limited - Secretary

18 February 2013

ABACUS GROUP SERVICES UK LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board. The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

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

The directors are responsible for keeping proper accounting records that 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 (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ABACUS GROUP SERVICES UK LIMITED

STATEMENT OF FINANCIAL POSITION

As at

	Note	31 October 2012 £	31 October 2011 £	1 November 2010 £
ASSETS				
Current assets				
Cash at bank	7	299,836	259,644	181,108
Amounts owed by related parties	7	-	-	30,807
		<u>299,836</u>	<u>259,644</u>	<u>211,915</u>
Non-current assets				
Premises and equipment	5	84,477	129,715	181,444
TOTAL ASSETS		<u>384,313</u>	<u>389,359</u>	<u>393,359</u>
LIABILITIES AND EQUITY				
Liabilities				
Amounts payable within one year				
Amounts owed to related parties	7	1,706	6,225	-
Taxation		5,838	-	10,367
Total liabilities		<u>7,544</u>	<u>6,225</u>	<u>10,367</u>
Capital and reserves				
Share capital	6	2	2	2
Retained earnings		376,767	383,132	382,990
Total equity		<u>376,769</u>	<u>383,134</u>	<u>382,992</u>
TOTAL EQUITY AND LIABILITIES		<u>384,313</u>	<u>389,359</u>	<u>393,359</u>

The accompanying notes form an integral part of these financial statements

These financial statements were approved by the Board of Directors on 18 February 2013

Signed on behalf of the Board of Directors

Director

Director

ABACUS GROUP SERVICES UK LIMITED

STATEMENT OF COMPREHENSIVE INCOME **Year ended**

	Note	31 October 2012 £	31 October 2011 £
REVENUE			
Related party transactions	1, 7	50,878	54,363
		<u>50,878</u>	<u>54,363</u>
EXPENSES			
Depreciation	5	45,238	51,729
General expenses		640	348
		<u>45,878</u>	<u>52,077</u>
OPERATING PROFIT AND INCOME BEFORE INCOME TAXES		5,000	2,286
Income taxes	4	(11,365)	(2,144)
TOTAL COMPREHENSIVE (LOSS) / INCOME		<u>(6,365)</u>	<u>142</u>

The accompanying notes form an integral part of these financial statements

ABACUS GROUP SERVICES UK LIMITED

STATEMENT OF CHANGES IN EQUITY

	Share Capital £	Retained earnings £	Total £
Balance at 1 November 2010	2	382,990	382,992
Total comprehensive income for the year	-	142	142
Balance at 31 October 2011	<u>2</u>	<u>383,132</u>	<u>383,134</u>
Total comprehensive loss for the year	-	(6,365)	(6,365)
Balance at 31 October 2012	<u>2</u>	<u>376,767</u>	<u>376,769</u>

The accompanying notes form an integral part of these financial statements

ABACUS GROUP SERVICES UK LIMITED

STATEMENT OF CASH FLOWS

For the year ended

	31 October 2012 £	31 October 2011 £
Cash flows from operating activities		
Total comprehensive (loss) / income for the year	(6,365)	142
Adjustments for non-cash items and others		
Income tax expense (note 4)	11,365	2,144
Depreciation (note 5)	45,238	51,729
Adjustments for net changes in operating assets and liabilities		
Change in amounts owed by related parties (note 7)	-	30,807
Change in amounts owed to related parties (note 7)	(4,519)	6,225
Cash generated from operating activities	45,719	91,047
Tax paid	(5,527)	(12,511)
Net cash from operating activities	40,192	78,536
Net change in cash resources	40,192	78,536
Cash at bank at beginning of year	259,644	181,108
Cash at bank at end of year	299,836	259,644

The accompanying notes form an integral part of these financial statements

ABACUS GROUP SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 31 October 2012**

1. GENERAL INFORMATION

The Company was incorporated in Jersey, Channel Islands on 25 July 2000

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued and in effect as at 31 October 2012 by the International Accounting Standards Board (IASB). These are the Company's first financial statements prepared in accordance with IFRS. IFRS 1 *First-time Adoption of International Financial Reporting Standards* has been applied.

An explanation of how the transition to IFRS has affected the reported financial position, financial performance and cash flows of the Company is provided in Note 3.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

2. ACCOUNTING POLICIES

Statement of compliance

The financial statements are prepared in accordance with IFRS. The particular accounting policies adopted by the directors are described below.

Going concern

The financial statements, which should be read in conjunction with the Directors' Report, are prepared on a going concern basis.

Use of estimates and assumptions

In preparing the financial statements, management is required to make subjective estimates and assumptions that affect the reported amount of assets, liabilities, net income and related disclosures. Estimates made by management are based on historical experience and other assumptions that are believed to be reasonable. Key sources of estimation uncertainty include income taxes and the carrying amount of premises and equipment. Accordingly, actual results may differ from these and other estimates thereby impacting future financial statements. Refer to the relevant accounting policies in this Note for details on the use of estimates and assumptions.

Critical judgements

In preparation of these financial statements, management is required to make critical judgements that affect the carrying amounts of certain assets and liabilities, and the reported amounts of revenues and expenses recorded during the period. Critical judgements have been made in the area of income taxes and the carrying value of premises and equipment. Refer to the relevant accounting policies in this Note for details on critical judgements.

Income recognition

Income is accounted for on an accruals basis and is recognised at the point in time when the Company has the right to receive payment.

Expense recognition

Expenses are accounted for on an accruals basis and are recorded in the financial statements of the periods to which they relate.

ABACUS GROUP SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 October 2012

2. ACCOUNTING POLICIES (continued)

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling based on the rates of exchange ruling at the reporting period end date. Revenue and expense items are converted monthly into sterling at average rates of exchange. Foreign exchange gains or losses are included in "Other expenditure" in the Statement of Comprehensive Income.

Premises and equipment

Premises and equipment includes furniture and office equipment, computer equipment and leasehold improvements and is stated at cost less accumulated depreciation and accumulated impairment losses. Cost is comprised of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use, and initial estimate of any disposal costs.

Depreciation is recorded principally on a straight-line basis over the estimated useful lives of the assets, which are 7 to 10 years for furniture and office equipment, 3 to 10 years for computer equipment and 10 years or the period of the lease where shorter for leasehold improvements. Gains and losses on disposal are recorded in Non-interest income.

Premises and equipment are assessed for indicators of impairment at each reporting period. If there is an indication that an asset may be impaired, an impairment test is performed by comparing the asset's carrying amount to its recoverable amount. An impairment charge is recorded to the extent the recoverable amount of an asset, which is the higher of fair value less costs to sell and value in use, is less than its carrying amount. Value in use is the present value of the future cash flows expected to be derived from the asset.

After the recognition of impairment, the depreciation charge is adjusted in future periods to reflect the asset's revised carrying amount. If an impairment is later reversed, the carrying amount of the asset is revised to the lower of the asset's recoverable amount and the carrying amount that would have been determined (net of depreciation) had there been no prior impairment loss. The depreciation charge in future periods is adjusted to reflect the revised carrying amount.

Income taxes

Income tax comprises current tax and is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. There is no deferred tax.

Current income tax payable on profits is recognised as an expense based on the applicable tax laws in each jurisdiction in the period in which profits arise, calculated using tax rates enacted or substantively enacted by the reporting period end date.

The Company is subject to income tax laws in various jurisdictions where it operates, and the complex tax laws are potentially subject to different interpretations by the Company and the relevant taxation authority. Significant judgment is required in the interpretation of the relevant tax laws, and the determination of the tax provision which includes a best estimate of tax positions that are under audit or appeal by relevant taxation authorities. A review is performed at each reporting period to incorporate the best assessment based on information available, but additional liability and income tax expense could result based on decisions made by the relevant tax authorities.

The Statement of Comprehensive Income includes items that are non-taxable or non-deductible for income tax purposes and, accordingly, cause the income tax provision to be different from what it would be if based on statutory rates.

ABACUS GROUP SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 October 2012

2. ACCOUNTING POLICIES (continued)

Standards in issue but not yet effective

There are a number of standards in issue not yet effective which the Directors have assessed and deemed do not apply to the Company. Management is currently assessing the impact of adopting the following standards on the financial statements:

IAS 1 *Presentation of Financial Statements* ("IAS 1")

In June 2011, the IASB issued amendments to IAS 1 regarding the presentation of OCI. The amendments are effective for the Company starting 1 November 2012.

IAS 12 *Income Taxes* ("IAS 12")

In December 2010, the IASB issued amendments to IAS 12 regarding deferred tax and the recovery of underlying assets. The amendments are effective for the Company starting 1 November 2012.

IFRS 7 *Financial Instruments: Disclosures* ("IFRS 7")

In December 2011, the IASB issued amendments to IFRS 7 regarding disclosure of offsetting financial assets and financial liabilities. The amendments are intended to help investors and other users to better assess the effect or potential effect of offsetting arrangements on a company's financial position. The amendments will be effective for the Company on 1 November 2013.

IAS 32 *Financial Instruments: Presentation* ("IAS 32")

In December 2011, the IASB issued amendments to IAS 32 which clarify the existing requirements for offsetting financial assets and financial liabilities. The amendments will be effective for the Company on 1 November 2014.

IFRS 9 *Financial Instruments* ("IFRS 9")

In November 2009, the IASB issued IFRS 9 as part of its plan to replace IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39"). IFRS 9 requires financial assets to be measured at either fair value or amortised cost on the basis of the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset. When the entity changes its business model, which is expected to be an infrequent occurrence, it is required to reclassify the affected financial assets prospectively. In October 2010, the IASB added to IFRS 9 the requirements for classification and measurement of financial liabilities previously included in IAS 39. In December 2011, the IASB amended the effective date of IFRS 9 to annual periods beginning on or after 1 January 2015. Accordingly, IFRS 9 will be effective for the Company on 1 November 2015.

3. FIRST TIME ADOPTION OF IFRS

As stated in Note 1, these are the Company's first financial statements prepared in accordance with IFRS.

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31 October 2012, the comparative information presented in these financial statements for the year ended 31 October 2011 and in the preparation of an opening IFRS statement of financial position as at 1 November 2010 (the Company's date of transition).

In preparing the opening IFRS Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows, no adjustments were required to amounts previously reported in financial statements prepared in accordance with UK GAAP (previous GAAP).

ABACUS GROUP SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 October 2012

4. INCOME TAXES

Jersey

The Company is a non-regulated service company which does not meet the definition of a financial services company and accordingly pays tax at 0% (2011 – 0%) on other income

United Kingdom

The Company pays Corporation Tax at 23% (2011 – 26%) on other income.

	2012 £	2011 £
Current taxation		
Jersey income tax	-	-
UK Corporation tax	5,838	-
	<u>5,838</u>	<u>-</u>
Adjustments in respect of prior years		
UK Corporation tax	5,527	2,144
Income taxes	<u>11,365</u>	<u>2,144</u>

Reconciliation

The difference between the total tax shown above and the amount calculated by applying the standard rate of tax to the income before income taxes is as follows

	2012 £	2011 £
Profit before income taxes	5,000	2,286
	<u>-</u>	<u>-</u>
Tax at the standard Jersey rate applicable of 0%	-	-
<i>Effects of</i>		
Depreciation in excess of capital allowances	1,851	1,832
Adjustments in respect of previous periods	5,527	2,144
Overseas profits taxed at other rates	3,987	3,816
Timing differences	-	(5,648)
	<u>11,365</u>	<u>2,144</u>
Total tax charge for the year	<u>11,365</u>	<u>2,144</u>

ABACUS GROUP SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 October 2012

5. PREMISES AND EQUIPMENT

	Furniture & Office equipment £	Computer equipment £	Leasehold improvements £	Total £
Cost				
Balance at 1 November 2010	308,493	123,444	107,725	539,662
Disposals	-	(31,926)	-	(31,926)
Balance at 31 October 2011	308,493	91,518	107,725	507,736
Disposals	-	(8,692)	-	(8,692)
Balance at 31 October 2012	308,493	82,826	107,725	499,044
Depreciation				
Balance at 1 November 2010	182,136	113,343	62,739	358,218
Charge for the year	32,926	8,031	10,772	51,729
Disposals	-	(31,926)	-	(31,926)
Balance at 31 October 2011	215,062	89,448	73,511	378,021
Charge for the year	32,367	2,070	10,801	45,238
Disposals	-	(8,692)	-	(8,692)
Balance at 31 October 2012	247,429	82,826	84,312	414,567
 Net carrying amount at 31 October 2012	 61,064	 -	 23,413	 84,477
 Net carrying amount at 31 October 2011	 93,431	 2,070	 34,214	 129,715
 Net carrying amount at 1 November 2010	 126,357	 10,101	 44,986	 181,444

ABACUS GROUP SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 October 2012

6. SHARE CAPITAL

	31 October 2012 £	31 October 2011 £	1 November 2010 £
Authorised			
10,000 ordinary shares of £1 each	10,000	10,000	10,000
Allotted, called up and fully paid			
2 ordinary shares of £1 each	2	2	2

7. RELATED PARTY DISCLOSURES

Related parties

Related parties include the parent bank, Royal Bank of Canada ("RBC"), associated companies, post-employment benefit plans for the benefit of the Company's employees, key management personnel, the Board of Directors of RBC ("Directors"), close family members of key management personnel and Directors, and entities which are, directly or indirectly, controlled by, jointly controlled by or significantly influenced by key management personnel, Directors or their close family members

Key management personnel and Directors

Key management personnel are defined as those persons having, directly or indirectly, authority and responsibility for planning, directing and controlling the activities of RBC and its subsidiaries and comprise the senior executives of RBC called the Group Executive ("GE"). Specifically, the GE comprises the Chief Executive Officer and those individuals that report directly to him, including the Chief Administrative Officer and Chief Financial Officer, Chief Human Resource Officer, the Chief Risk Officer, and heads of RBC's business units

The GE is ultimately responsible for all material decisions of RBC. The GE is also responsible for establishing the overall strategic direction of the RBC group and, in that regard, sets global parameters for the RBC group within which the board of directors and management of each subsidiary in the RBC group exercise their respective discretion to make decisions concerning the strategic direction and day-to-day management of the particular subsidiary. The Directors of RBC do not plan, direct, or control the day-to-day activities of RBC, they oversee the management of the business and provide stewardship.

Compensation of key management personnel and Directors

The following tables present the compensation paid, shareholdings and options held by key management personnel and Directors

	2012 C\$ millions	2011 C\$ millions
Salaries and other short-term employee benefits	21	23
Post-employment benefits	2	2
Other long-term benefits	25	24
	<u>48</u>	<u>49</u>

ABACUS GROUP SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 October 2012

7. RELATED PARTY DISCLOSURES (continued)

Shareholdings and options held by key management personnel, Directors and their close family members

	31 October 2012		31 October 2011		1 November 2010	
	No. of units held	Value CAD million	No. of units held	Value CAD million	No. of units held	Value CAD million
Stock options	5,402,931	40	5,663,871	23	5,011,708	45
Other non-option stock based awards	2,657,787	143	2,189,588	106	1,994,916	107
RBC common shares	1,593,328	91	1,638,939	80	1,511,316	82
	<u>9,654,046</u>	<u>274</u>	<u>9,492,398</u>	<u>209</u>	<u>8,517,940</u>	<u>234</u>

Transactions, arrangements and agreements involving key management personnel, Directors and their close family members

In the normal course of business, certain banking services are provided to key management personnel, Directors, and their close family members. These transactions were made on substantially the same terms, including interest rates and security, as for comparable transactions with persons of a similar standing and did not involve more than the normal risk of repayment or present other unfavourable features.

For the year ended 31 October 2012, total loans to key management personnel, Directors and their close family members are \$6 million (31 October 2011 - \$4 million, 1 November 2010 - \$5 million). No guarantees, pledges or commitments have been given to key management personnel, Directors or their close family members.

Subsidiaries and associates

In the normal course of business, the Company enters into transactions with subsidiaries and associates.

Balances with related parties:

	31 October 2012 £	31 October 2011 £	1 November 2010 £
RBC Affiliates – cash	<u>299,836</u>	<u>259,644</u>	<u>181,108</u>
RBC Affiliates – other (payables) / receivables	(1,706)	(6,225)	30,807
Balances with Related Parties	<u>(1,706)</u>	<u>(6,225)</u>	<u>30,807</u>

Transactions with related parties:

	31 October 2012 £	31 October 2011 £
Income		
RBC Affiliates – Allocated charges	50,878	54,363
Transactions with Related Parties	<u>50,878</u>	<u>54,363</u>

ABACUS GROUP SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 31 October 2012**

7. RELATED PARTY DISCLOSURES (continued)

Parent company and ultimate controlling party

The Company is a wholly owned subsidiary of Abacus Group Services Limited, a company incorporated in Jersey, Channel Islands

The smallest group in which the results of the Company are consolidated is headed by RBC Trust Company (International) Limited. Consolidated financial statements of this group are not available to the public

The Company's ultimate controlling party is Royal Bank of Canada, which is incorporated in Canada. Consolidated financial statements of the ultimate parent company are available from the following address

Royal Bank of Canada
Royal Bank Plaza
PO Box 1
Toronto
Ontario M5J 2J5
Canada

8. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The following is a description of credit risk, market risk and liquidity risk, the Company's exposure to them and how these risks are managed

The Company is an indirect wholly-owned subsidiary of RBC. In general, credit risk, market risk and liquidity risk are managed as part of the overall RBC risk management practices

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations and may arise directly from claims against a debtor or obligor, an issuer of securities or indirectly from claims against a guarantor of a credit obligation

Objectives, policies and methodologies

The Company's credit risk is managed by RBC, following the same management principles which are guided by RBC's overall risk management principles

RBC's enterprise-wide credit risk policies set out the minimum requirements for the management of credit risk in a variety of transactional and portfolio management contexts

ABACUS GROUP SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 31 October 2012**

8. NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (continued)

The credit risk policies comprise the following six categories

- Credit Risk Assessment includes policies related to credit risk analysis, risk rating, risk scoring and trading credit
- Credit Risk Mitigation includes credit structuring, collateral and guarantees
- Credit Risk Approval includes credit risk limits and exceptions
- Credit Documentation focuses on documentation and administration
- Credit Review and Deterioration includes monitoring and review
- Credit Portfolio Management includes portfolio management and risk quantification

RBC's credit risk objectives, policies, and methodologies have not changed materially from 2011

The Company's exposure to credit risk pertains primarily to the client related accounts receivable which are across a large base of private clients, thereby significantly reducing any counterparty concentration risk. The client receivables are not interest rate sensitive and are not impacted by changes in market conditions. The Company seeks to limit its credit risk with regard to customers by actively monitoring outstanding receivables. The Company establishes provisions against individual receivable accounts after taking into account factors such as the age of the receivable and any relevant information concerning the financial condition of the counterparty.

With respect to credit risk arising from the other financial assets of the Company (including cash and cash equivalents), the Company's exposure to credit risk arises from the default of the counterparty with a maximum exposure equal to the carrying amount of those instruments.

Management is of the opinion that the fair value of financial assets does not differ from the carrying value.

Market risk

Market risk is the risk of loss on the value of a financial instrument that may arise from changes in market factors such as interest rates, foreign exchange rates, equity or commodity prices, and credit spreads.

Given that the nature of the Company's financial instruments are non trading assets and liabilities, exposure to market risk is not significant.

Liquidity risk

Liquidity and funding risk is the risk that the Company may be unable to generate or obtain sufficient cash or its equivalent in a timely and cost-effective manner to meet its commitments as they come due.

Given that the nature of the Company's financial commitments are determined based on revenue received from clients with no other significant long-term debt, exposure to liquidity risk is minimal.

Management is of the opinion that the fair value of financial liabilities does not differ from the carrying value.