



warwyck

PHOENIX PCC

ANNUAL REPORT 2018

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CORPORATE DATA

		Date appointed	Date resigned
Directors	Avinash Renga Sunassee	10 October 2014	-
	Frank Brusco	10 October 2014	-
	Pascal Dulau	16 June 2016	20 February 2019
	Mohammad Shameer Mohuddy	20 January 2017	-
	Youmeshwar Ramdhony	10 April 2017	-
	Ashwin Bhimal Ramlochun	10 April 2017	-
Administrator and Secretary	Anex Management Services Ltd 8 th Floor, Ebene Tower 52 Cybercity Ebene 72201 Republic of Mauritius		
Registered office	Warwyck House Nalletamby Road, Phoenix 73538 Republic of Mauritius		
Auditors	Grant Thornton Ebene Tower 52 Cybercity Ebene 72201 Republic of Mauritius		
SEM Authorised Representative and Sponsor	Perigeum Capital Ltd Level 4, Alexander House 35 Cybercity Ebene 72201 Republic of Mauritius		
Bankers	Warwyck Private Bank Ltd Banque des Mascareignes Ltée		
Legal advisor	Dentons Mauritius LLP Les Jamalacs Vieux Conseil Street Port Louis Republic of Mauritius		

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The Board of Directors of Warwyck Phoenix PCC (the “Company”), is pleased to present the annual report together with the audited financial statements for the year ended 31 December 2018.

Incorporation

The Company was incorporated in the Republic of Mauritius on 21 August 2014 as a private company limited by shares. Pursuant to a special resolution of the sole shareholder dated 03 May 2016, the status of the Company was changed to a public company with liability limited by shares.

Principal activity

The Company is a Protected Cell Company (PCC) organised as a Collective Investment Scheme (CIS) and is categorised as an expert fund pursuant to the Securities Act 2005 and the regulation made hereunder.

Listing on the Stock Exchange of Mauritius Ltd

As at 31 December 2018, the Participating Shares of the following cells of the Company were listed on the Official Market of the Stock Exchange of Mauritius Ltd (“SEM”):-

1. Warwyck Prolific Fund
2. Warwyck Phoenix Income Fund
3. Warwyck Phoenix Global Invest Fund 1
4. Warwyck Phoenix Global Invest Fund 2
5. Warwyck Phoenix Invest Fund 3
6. Warwyck Phoenix Global Invest Fund 5*
7. Warwyck Phoenix Global Invest Fund 6

* The Participating Shares of Warwyck Phoenix Global Invest Fund 5 were withdrawn from the Official Market of the SEM with effect from 25 January 2019.

Cell 3 has been closed during the year.

Results and dividends

The results for the year ended 31 December 2018 for the Company are as shown on page 30.

The directors declared and paid dividend of USD 2,900,000 to the shareholder for the year under review (2017: USD 753,869).

Directors

The present membership of the Board of the Company is set out on page 2.

Directors’ responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

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FOR THE YEAR ENDED 31 DECEMBER 2018

Directors' responsibilities in respect of the financial statements (Contd)

- correctly record and explain the transactions of the Company;
- disclose with reasonable accuracy at any time the financial position of the Company; and
- ensure that the financial statements are prepared in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

The Directors confirm that:

- the financial statements present fairly the financial position of the Company as at the reporting date and the results of operations and cash flows for the reporting year;
- the external auditors are responsible for reporting on whether the financial statements are presented fairly;
- adequate accounting records and an effective system of internal control have been maintained;
- the financial statements have been prepared in accordance with International Financial Reporting Standards;
- appropriate accounting policies are supported by reasonable and prudent judgements and estimates have been used consistently;
- the financial statements have been prepared on the going concern basis;
- they are responsible for safeguarding the assets of the Company;
- they have taken reasonable steps for the prevention and detection of fraud and other irregularities; and
- the Company has adhered to the Code of Corporate Governance.

Internal Control

The Board is responsible for the Company's system of internal control and for reviewing its effectiveness. The internal audit function is outsourced to Warwyck Private Bank Limited. The Internal Auditor reports to the Audit and Risk Committee. It helps the Company accomplish its objectives by applying a systematic and disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes. The Internal Auditor has unrestricted access to all records, necessary for discharging its responsibilities.

Risk Management

The Board of directors is responsible for determining the overall strategic direction and the proper risk management strategy and policies of the Company. It sets the appropriate risk level and tolerance of the Company. The risk strategy covers all the major risk areas in which the Company has significant exposure.

Contracts of significance

There were no contract of significance to which the Company was a party and in which a Director was materially interested either directly or indirectly.

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FOR THE YEAR ENDED 31 DECEMBER 2018

Going concern statement

On the basis of current projections, the directors are confident that the Company has adequate resources to continue operations for the foreseeable future and consider that the going concern basis in preparing the financial statements be adopted.

Directors' share interests

As at 31 December 2018, Mr Frank Brusco had indirect interest of 3% in the management shares of the Company.

Directors' remuneration

Total emoluments and other benefits paid to the Directors were as follows.

	2018	2017
	USD	USD
Non-executive directors	25,000	66,664

Donations

No donation was made by the Company.

External auditors

The external auditors, **Grant Thornton**, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual Meeting.

	2018	2017
	USD	USD
Fees for audit services (VAT exclusive)*	51,500	40,000
Fees for non-audit services*	5,000	5,000

**Total fees chargeable to the Company and its cells*

Approved by the Board of Directors on 28 March 2019 and signed on its behalf by:

Director

Director

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

General Information

Warwyck Phoenix PCC, formerly known as Warwyck Pheonip PCC (the “Company” or the “PCC”), was incorporated in the Republic of Mauritius on 21 August 2014 as a private company with liability limited by shares. It is also a Protected Cell Company and was converted into a Public company by special resolution on the 3 May 2016. The Company holds a Global Business Licence issued by the Financial Services Commission and on 8 October 2014, the Company was converted into a ‘Collective Investment Scheme’ and is a Public Interest Entity as defined by the Financial Reporting Act 2004.

Principle 1: Governance Structure

- 1.1 The Board and Management of the Company are committed to ensuring and maintaining a high standard of corporate governance within the Company. The Board recognises that the National Code of Corporate Governance for Mauritius 2016 (the “Code”) is regarded as best practice and therefore uses its best endeavours to ensure compliance with the provisions set out in the Code.

The Board regularly monitors and evaluates compliance with its established ethical principles and standards.

The Board of Directors assumes full responsibility for leading and controlling the organisation and meeting all legal and regulatory requirements. In addition, the Board is collectively responsible for the long-term success, reputation and governance of the Company.

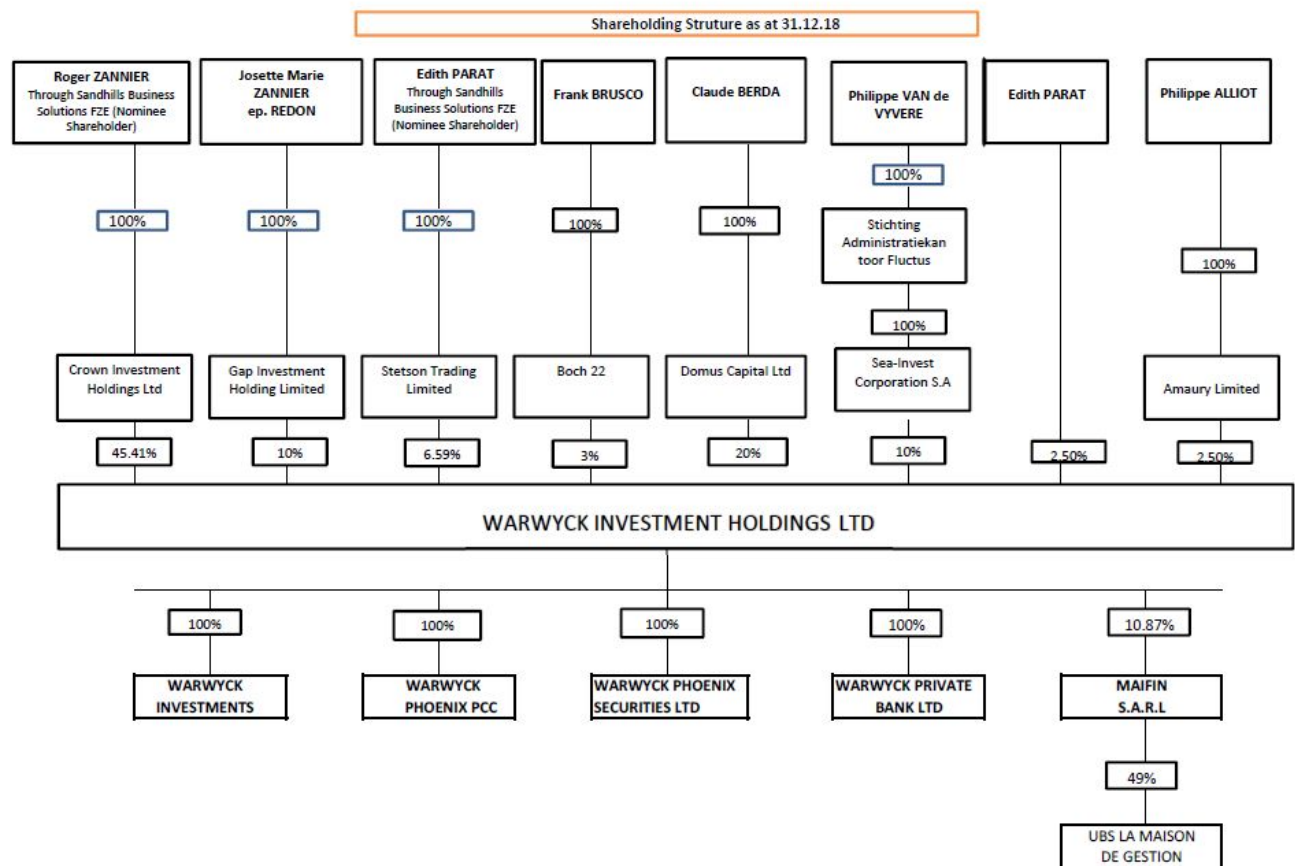
- 1.2 During the year under review, the Company has adopted a Board Charter as well as a Code of Ethics and copies of same are available on the Company’s website or upon request to the Secretary.
- 1.3 The Board Charter provides a clear definition of the roles and responsibilities of the Chairman, executives directors as well as the Secretary. The role of the Chairman is distinct and separate from that of the Chief Executive Officer (‘CEO’) and there is clear division of responsibilities with the Chairman leading the Board and the Chief Executive Officer managing the day to day operations.
- 1.4 Company structure and shareholding

The organisation structure is illustrated in the below diagram:

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

Principle 1: Governance Structure (Contd)



Shareholding:

At 31 December 2018, the stated capital of the Company stood at USD 100, represented by 100 management shares with par value USD 1.

Warwyck Investment Holdings Ltd holds 100% of the management shares.

Principle 2: The Structure of the Board and its Committees

2.1 Board Structure

The Board of the Company has a unitary structure. The Board is of the view that its composition is adequately balanced and that current Directors have the range of skills, expertise and experience to carry out their duties effectively. The Board is composed of 6 directors coming from different sectors. Every director has drawn from his professional background and expertise in positively contributing to the Board's activities.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2018

Principle 2: The Structure of the Board and its Committees (Contd)

2.1.1 Board Size

For the year under review, the Board comprised of 6 members comprising of

- two executive directors;
- two non-executive directors; and
- two independent non-executive directors.

All Directors are ordinarily resident in Mauritius except for one of the directors who is a non-resident, namely, Mr. Frank Brusco.

Having regard to the size of the Company and the number of board committees, the Board considers that its size and composition is reasonably sufficient to meet the requirements of the business of the Company.

The following directors held office during the year under review:

Name of Director	Date of Appointment	Date of Resignation	Type of Directorship
Mr. Avinash Renga Sunassee	10 October 2014	N/A	Independent Non –Executive Director (Resident) - Chairman
Mr. Frank Brusco	10 October 2014	N/A	Non-Executive Director (Non-Resident)
Mr. Pascal Dulau	16 June 2016	20 February 2019	Non-Executive Director (Resident)
Mr. Mohammad Shameer Mohuddy	20 January 2017	N/A	Independent Director (Resident)
Mr. Youmeshwar Ramdhony	10 April 2017	N/A	Executive Director (Resident) – Chief Executive Officer
Mr. Ashwin Bhimal Ramlochun	10 April 2017	N/A	Executive Director (Resident)

2.2 Board Composition

2.2.1 Chairman

The members of the Board appointed Mr. Avinash Renga Sunassee as Chairman on 10 April 2017 who is also an Independent Non-executive Director. The Chairman is not involved in the day-to-day running of the business and is not a full-time employee of the Company. Additionally, the Chairman's title, role and function is separate from that of the Chief Executive Officer of the Company.

2.2.2 Executive Directors

The members of the Board appointed Mr. Youmeshwar Ramdhony as Chief Executive Officer ("CEO") of the Company on 10th April 2017. In his capacity as CEO, Mr. Ramdhony is involved in the day to day running of the business and ensures that information pertaining to the day to day management of the Company are communicated to the Board. Alongside the CEO, the Board has appointed an additional executive director, namely Mr. Ashwin Bhimal Ramlochun, who is also involved in managing the daily affairs of the Company.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2018

Principle 2: The Structure of the Board and its Committees (Contd)

2.2 Board Composition (Contd)

2.2.3 Non-executive Directors

The members of the Board appointed Messrs. Frank Brusco and Pascal Dulau as non-executive Directors. In their capacity as non-executive Directors, Messrs. Brusco and Dulau do not engage in the day to day management of the Company but are involved in policy making and planning exercises. Mr. Pascal Dulau has resigned from the Board on 20 February 2019.

2.2.4 Independent Directors

The members of the Board appointed Messrs. Avinash Renga Sunassee and Mohammad Shameer Mohuddy as independent non-executive directors. Messrs. Sunassee and Mohuddy have at all times exercised independence of character and judgement in assuming their role as independent directors.

The Board further confirms that, the above-named independent directors:

- have not been employed by the Company for the last three years;
- have not had any material business relationship with the Board either directly or indirectly or as partner, shareholder, director or senior employee of a body that has such a relationship with the Company;
- have not received additional remuneration from the organization apart from director's fee (as described hereunder)
- are not nominated directors representing a substantial shareholder;
- do not have any close family ties with any of the organisation's advisors, directors or senior employees; and
- have not served on the Board for more than nine continuous years from the date of their first election

Except for Mr. Sunassee who holds the position of Director on Warwyck Private Bank Ltd, one of the related companies of the Company, no other Directors have cross directorships within the Group.

The Annexure 1 illustrates the details of internal and external directorship held by the individual Directors.

2.2.5 Secretary

Anex Management Services Limited ("Anex") is responsible for the provision of corporate secretarial services to the Company.

Anex, in its capacity as Secretary, provides the Board with detailed guidance as to how its responsibilities should be properly discharged in the best interests of the Company. In addition, the Secretary provides guidance on the statutory duties of the Board and the regulatory requirements of the Company. In the performance of its duties and functions, the Secretary acts as a vital bridge between the Board and executive management.

The Secretary further assists the Chairman, CEO, the Board and Board Committees in applying and implementing the principles of the Code with a view to enhancing long-term stakeholder's value.

The Secretary is subject to an annual evaluation by the Board.

2.2.6 Board Diversity

The Board members are of the same gender and to be in compliance with the requirements of the Code, the Company will consider having at least one female member in the Board.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2018

Principle 2: The Structure of the Board and its Committees (Contd)

2.2 Board Composition (Contd)

2.2.7 Board & Committee Charter

The Board has adopted a board charter during the year under review and is required to reassess the charter of the Board and its Committees on an annual basis.

2.3 Board meetings

Board meetings are held at least once each quarter and at any additional times as the Company requires. Decisions taken between meetings are confirmed by way of written resolutions, agreed and signed by all Directors entitled to receive notice.

The Board meetings are conducted in accordance with the Company's Constitution and the Mauritius Companies Act 2001 and are convened by giving appropriate notice to Directors. Detailed agenda together with other supporting documents are circularized in advance by the Secretary to the Directors to enable them to make focused and informed deliberations at Board meetings.

The matters being considered at the meetings are as follows:

- to examine all statutory matters;
- to approve the audited financial statements and review important accounting issues;
- to review the Company's performance and the performance of its various cells (including the Cell);
- to ensure compliance of the Company with the relevant legislations;
- to take note of changes in the legislations which may affect the Company;
- to approve the quarterly management accounts;
- to approve the release of the financial results announcements of each cell to the market; and
- to discuss any other business.

The Board promotes, encourages and expects open and frank discussions at meetings. Board meetings provide a forum for challenging and constructive debate.

During the year under review, the Board has met four times. Minutes of the proceedings of each Board meeting are recorded by the Secretary and submitted for confirmation at its next meeting where they are signed by the Chairman and Secretary.

The table below shows the attendance of directors at Board meetings during the year ended 31 December 2018:

Directors	Attendance at Board
Avinash Renga Sunassee (appointed on 10 October 2014)	4/4
Pascal Dulau (appointed on 16 June 2016 and resigned on 20 February 2019)	4/4
Frank Brusco (appointed on 10 October 2014)	4/4
Mohammad Shameer Mohuddy (appointed on 20 January 2017)	4/4
Youmeshwar Ramdhony (10 April 2017)	4/4
Ashwin Bhimal Ramlochun (10 April 2017)	4/4

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2018

Principle 2: The Structure of the Board and its Committees (Contd)

2.4 Board Committees

In line with the Code and in order to facilitate the effective management, the following Board Committees have been established by the Board. These Committees operate within defined Terms of Reference.

The Chairperson of the Board Committees report on the proceedings of the Committees at each Board meeting of the Company and the Committees regularly recommend actions to the Board. The Secretary acts as Secretary to the Board Committees and minutes of each meeting are taken and submitted to the Board for noting.

Audit & Risk Committee

The Company has set-up an Audit & Risk Committee whose purpose is to assist the Board in fulfilling its corporate governance duties and overseeing its responsibilities in relation to the Company's and the Cells' financial reporting, internal control system, risk management system and internal and external audit functions. Its role is to provide advice and recommendations to the Board within the scope of its terms of reference as approved by the Board.

The Audit & Risk Committee is composed of a majority of independent directors. A quorum of two directors is currently required for a meeting of the said committee.

The following table shows the members of the Audit & Risk committee:

Name of Director / Member	Date of Appointment as Director	Date of Resignation as Director	Type of Membership	Attendance at meeting
Mohammad Shameer Mohuddy	20 January 2017	N/A	Current Chairman	2/2
Avinash Renga Sunassee	10 October 2014	N/A	Current Member	2/2
Ashwin Bhimal Ramlochun	10 April 2017	N/A	Current Member	2/2

Mr. Mohammad Shameer Mohuddy, the current chairman of the Audit & Risk Committee is an independent legal practitioner in Mauritius with main areas of practice being corporate law, commercial law, employment law and taxation. The Board has not complied with the Code as two members have a legal background rather than a financial one, but believes that same is compensated in terms of other members namely, Mr Ashwin Bhimal Ramlochun who has relevant financial experience and is member of the Association of Chartered Certified Accountants of the U.K

The Audit & Risk Committee met 2 times during the year under review.

Investment Committee

The Company has set-up an Investment Committee whose purpose is to maintain the prudent and effective investment and to formulate and oversee the investment policies and management. The following table shows the members of the Investment Committee:

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2018

Principle 2: The Structure of the Board and its Committees (Contd)

2.4 Board Committees (Contd)

Investment Committee (Contd)

Name of Director / Member	Date of Appointment as Director	Date of Resignation as Director	Type of Membership	Attendance at meeting
Mr. Frank Brusco	10 October 2014	N/A	Current Member	4/4
Pascal Dulau	16 June 2016	20 February 2019	Current Chairman	4/4
Ashwin Bhimal Ramlochun	10 April 2017	N/A	Current Member	4/4
Patrice Bouche	N/A	N/A	Member at Large	4/4

The investment committee was chaired by Mr. Pascal Dulau in 2018. Following the resignation of the Chairman in February 2019, the Company is currently considering the appointment of a new chairman as well as a vice-chairman.

Principle 3: Director appointment procedures

3.1 Directors' appointment and procedures

According to the clause 25.1 of the Company's Constitution, the Directors shall be appointed by ordinary resolution of shareholders. Directors are eligible for re-election at the Annual meeting of the Company subject to the relevant procedures laid down in the Company's Constitution and the requirements of the Mauritian Companies Act 2001.

The re-election of directors is subject to continued satisfactory performance following a formal performance evaluation of the individual directors' performance.

Upon any change in directorship, the Board assumes the responsibilities for succession planning as well as for the appointment of the new directors.

Directors' profiles are given hereinafter:

3.2 Directors' Profile

Avinash Renga Sunassee - Age 40

Independent Non-Executive Chairman

Date of appointment: 10 October 2014

Avinash Sunassee was born in the Republic of Ireland. He has studied law at the London School of Economics and Political Science and is a practising barrister in Mauritius. He specialises in commercial matters and financial services, a sizeable proportion of which is in the banking sector. His practice consists of advising on transactions and leading litigation (including arbitrations) in commercial, financial services and regulatory matters.

Directorship in other listed companies: none

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2018

Principle 3: Director appointment procedures (Contd)

3.2 Directors' Profile (Contd)

Youmeshwar Ramdhony - Age 41

Chief Executive Officer

Date of appointment: 10 April 2017

Youmeshwar is an Associate of the Chartered Institute for Securities and Investment (U.K.) and of the Chartered Management Institute (U.K.), a Fellow of the Institute of Chartered Secretaries and Administrators (U.K.), Member of the Society of Trust & Estate Practitioners (U.K.) while also holding an Executive MBA and B.A. in Economics. He has equally undergone management training from Harvard Business School Publishing of Harvard Business School, U.S.A. and the Singapore Institute of Management.

He has held various senior positions in the banking and global business sectors with local and international organisations in Mauritius, Guernsey, Jersey and Singapore. Youmeshwar has been involved in the management of global business companies, international SPVs and in providing estate and wealth planning solutions to HNWI around the world. He has also served on the board of directors of several global business companies for investment holding and Cell structures.

Youmeshwar joined the company as Fund Manager in May 2016 and was, subsequently, appointed as Chief Executive Officer and to the Board of Directors in April 2017.

Directorship in other listed companies: none

Ashwin Bhimal Ramlochun - Age 29

Executive Director

Date of appointment: 10 April 2017

Ashwin Ramlochun is a member of the Chartered Institute for Securities and Investment and the Association of Chartered Certified Accountants of the U.K.

Prior to joining Warwyck Phoenix PCC, Ashwin started his career with Crowe Horwath in 2011 as Auditor and moved to Deutsche Bank in 2012 where he took on the position of Private Equity Fund Analyst serving one of the world largest alternative asset managers.

Ashwin joined the company as Fund Accountant in August 2016 and was, subsequently, appointed as Fund Manager and to the Board of Directors in April 2017.

Directorship in other listed companies: none

Mohammad Shameer Mohuddy - Age 42

Independent Non-Executive Director

Date of appointment: 20 January 2017

Shameer Mohuddy is an independent legal practitioner in Mauritius with main areas of practice being corporate law, commercial law, employment law and taxation. He was previously a Partner at Legis & Partners, a legal consultancy firm. He is currently also serving as a Member of the Commission on the Prerogative of Mercy and was a former Commissioner of the Equal Opportunities Commission and also a former Vice-Chairperson of the National Economic and Social Council. Shameer has studied at the University of London, UK.

Directorship in other listed companies: none

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2018

Principle 3: Director appointment procedures (Contd)

3.2 Directors' Profile (Contd)

Frank Brusco - Age 40

Non-Executive Director

Date of appointment: 10 October 2014

Frank Brusco, an accomplished businessman, has set up multiple businesses around the world. He holds a degree in Banking and Finance.

Frank Brusco has been active in the finance industry for many years and is currently the Director of Acquisition of Participations at Viggest, a corporate/business consultancy firm.

Directorship in other listed companies: none

Pascal Dulau - Age 49

Independent Non-Executive Director

Date of appointment: 16 June 2016

Date of resignation: 20 February 2019

Pascal Dulau is of a French Nationality and is a Mauritian resident. Pascal holds an MBA in International Finance and Tax and a Master in Economics and Finance. He is a recognized leader with strong experience in change management and is familiar with managing multicultural and highly skilled team in challenging environments. He has twenty years' experience in private banking and asset management with the BNP PARIBAS Group. Pascal started as portfolio manager and ended at the top management of BNP PARIBAS Switzerland. In his last position, he has been the head of credit offering for Switzerland and International Markets and has been a member of the Swiss Wealth Management Executive Committee. Previously, as CEO of BNP Paribas Bahamas, Pascal used to be director of different in-house mutual funds and private equity funds (PAI Europe LBO III, IV, V) and was involved in investment committees.

Directorship in other listed companies: none

3.3 Board orientation and induction

An induction program is organised to ensure that newly appointed directors receive an induction upon joining the Board to familiarise them with the Company's operations, senior management and its business environment and to induct them in their fiduciary duties and responsibilities. Directors are provided with the charter which clearly defines their duties and obligations. The Company's relevant governing documents are also provided to them.

3.4 Professional development

As part of the Board's commitment to continue improvement, an ongoing professional development and training programme is in place for directors. The Company ensures that the necessary resources for developing and updating its directors' knowledge and capabilities are provided as and when required. The Chairman and the Board regularly reviews training development needs of Directors to ensure that they continually update their skills and relevant knowledge.

For the year under review, the Board has reviewed the professional development and ongoing education of directors.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2018

Principle 3: Director appointment procedures (Contd)

3.5 Succession planning

Suitable plans are in place for the orderly succession of appointments to the board and to senior management positions in order to maintain an appropriate balance of knowledge, skills and experience within the organization and on the Board.

Principle 4: Directors duties, Senior executive remuneration and performance

4.1 Code of ethics

During the year under review, the Company has adopted a Code of Ethics.

In accordance with the requirements of the Stock Exchange of Mauritius and the Code, the Board has adopted a Code of Ethics to encourage honest and ethical conduct, including fair dealing and the ethical handling of conflicts; all directors, officers and employees of the Company are expected to be familiar with the Code and to adhere to those principles and procedures set forth therein.

Honest and Ethical Conduct

Each director, officer, employee owes a duty to the Company to act with integrity. Integrity requires, among other things, being honest and ethical. This includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships. Deceit and subordination of principle are inconsistent with integrity.

Each director, officer and employee must:

- act with integrity, including being honest and ethical while still maintaining the confidentiality of information where required or consistent with the Company's policies.
- observe both the form and spirit of laws and governmental rules and regulations and accounting standards.
- adhere to a high standard of business ethics.
- accept no improper or undisclosed material personal benefits from third parties as a result of any transactions of the Company.

The Code is reassessed by the Board on an annual basis.

The Directors are aware of their legal duties and responsibilities.

4.2 Conflict of interest

The Board strictly believes that a Director should make his best effort to avoid conflict of interest or situation where others might reasonably perceive as a conflict. According the clause 26.2 of the Company's Constitution, a Director who has declared an interest shall not inter alia:

- vote on any matter relating to transaction or proposed transaction in which he has an interest;
- be counted in the quorum present for the purpose of voting on that transaction;
- sign a document relating to the transaction on behalf of the Company;
- do any other thing in his capacity as director in relation to the transaction.

All directors are subject to the disclosure and formality requirements of the Mauritian Companies Act 2001 in relation to transactions in which they have an interest.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2018

Principle 4: Directors duties, Senior executive remuneration and performance (Contd)

4.2 Conflict of interest (Contd)

It is the responsibility of each Director to ensure that any conflict of interest be recorded in the interest register maintained by the Secretary. The said register is available to shareholders upon written request to the Secretary. The Directors are aware of their responsibility to make full and timely disclosure of any conflict, or potential conflict to the Board and / or to the Secretary.

All conflict of interest and related party transactions are addressed by policies on conflict of interest adopted by the Board during the year under review. The Board always ensures that all related party transactions are adequately addressed through proper monitoring, approval and disclosure.

4.2.1 Interest of Directors in the Shares of the Company and in the Issued redeemable participating Shares of the Cell

None of the Directors had any interest in the issued redeemable participating shares of the Cell.

4.2.2 Information, Information Technology and Information Security Governance

The Company has entered into a Service Level Agreement (“SLA”) with Warwyck Private Bank Ltd (“WPBL”) for various services, namely information governance system. The Board has adopted the Information Security Policy of WPBL which includes the provision of information technology and information security services. Monitoring and evaluation of significant expenditure is covered under the SLA with WPBL. Any significant expenditure in information technology is discussed and approved at the level of the Board

The information governance framework of the Company is regularly assessed by the Board.

4.2.3 Board Information

All Directors receive regular information about the Company so that they are equipped to play their role fully in board meetings. Papers for board and committee meetings are circulated prior to the relevant meeting. All board members have access to the Secretary for any further information they require. The appointment and removal of the Secretary is a matter for the Board as a whole. Independent professional advice is available to directors in appropriate circumstances, at the Company’s expense.

The board members are aware that matters relating to the Company, learned in their capacity as Directors, are strictly confidential and private and shall not be divulged to anyone without the express authority of the Board.

The Secretary maintains an interest register which is available to shareholders upon written request.

4.2.4 Related Party transactions

The related party transactions have been set out in note 19 of these financial statements.

4.2.5 Board evaluation

An independent evaluation of the performance of the Board, its Committees, individual Directors and its policies and procedures was carried out by Anex Management Services Limited during the financial year ended 31 December 2018. The evaluation exercise was led by the Chairman of the Board.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2018

Principle 4: Directors duties, Senior executive remuneration and performance (Contd)

4.2 Conflict of interest (Contd)

4.2.5 Board evaluation (Contd)

The objective of the performance appraisal of the Board was inter alia:

- To assess the performance of the Board against the vision, objectives and strategy of the Company and its Cells;
- To assist the Board and its committees in highlighting their key competencies and strengths; and
- To identify and correct weaknesses and provide opportunities for sound development of the Board.

The evaluation exercise was carried through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment and governance issues.

A structured questionnaire was prepared after taking into consideration inputs received from the Chairman, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, board culture, execution and performance of specific duties, obligations and governance.

All Directors were required to participate in the evaluation survey. The evaluation of the performance of the Board was done at two levels. First, the overall performance of the Board was evaluated through a questionnaire, based on criteria such as the board composition, size, gender, strategic planning, role of the Chairman, non-executive directors and other senior management, assessment of the timeliness and quality of the flow of information by the Company to the Board and adherence to compliance and other regulatory issues. At the second level, the directors were required to do a self-evaluation of their performance, still through a questionnaire.

Some of the key findings & recommendations made to the Board were as follows:

- The Board is encouraged to ensure gender balance and adopt a no-discriminatory policy;
- The Board is encouraged to adopt a development plan to provide necessary resources for developing and updating its Directors' capabilities;
- The Board is encouraged to consider the appointment of an additional independent director with relevant knowledge and experience in finance and accounting field to assist the Audit Committee in its function.

4.2.6 Statement of Remuneration Policy

Setting a Statement of Remuneration Policy is to attract, retain and motivate the right level high calibre personnel and reward in alignment with their individual as well as joint contribution towards the achievement of the Company's objective and performance, whilst taking into consideration the current market conditions and the Company's financial position. The Directors are remunerated for their knowledge, experience and insight given to the Board and Committees.

The Board reasonably believes that the current remuneration policy is fair and reasonable having regard to the skills, knowledge and experience brought by the Directors to the Company. The Board has reviewed the adequacy of directors' and senior executives' remuneration together with the form of that remuneration and has deemed such remuneration to be adequate.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2018

Principle 4: Directors duties, Senior executive remuneration and performance (Contd)

4.2 Conflict of interest (Contd)

4.2.6 Statement of Remuneration Policy (Contd)

Non-executive remuneration

The independent directors' fee amounts to USD 3,125 per quarter each. Non-executive directors have not received remuneration in the form of share options or bonuses associated with the Company's/Cells' performance.

The remuneration of the non-independent non-executive directors is included in the service fees payable to WPBL in accordance to the Service Level Agreement.

The below table shows the annual Non-Executive Directors' fees on an individual basis:

Name of Directors	Fees in USD
Pascal Dulau	NIL
Avinash Renga Sunassee	12,500
Frank Brusco	NIL
Shameer Mohuddy	12,500
Total Amount	25,000

Executive remuneration

Directors who are in full time employment with the Company are entitled to a fixed salary as per their contract of employment. They do not receive any additional remuneration for attending the Board meetings and Committees.

Principle 5: Risk Governance and Internal Control

The Board is ultimately responsible for the Company's system of internal control and for reviewing its effectiveness.

The Board has the overall responsibility for the Company's systems of risk management and internal control and for reviewing their effectiveness. The responsibility for setting risk strategy remains with the Board but the responsibility for assessing and assuring the quality of the risk management process has been delegated to the Audit and Risk Committee. In its bid to promote sound and balanced growth, the Board places key emphasis on the Company's risk management framework and internal control system.

The Company has entered into a Service Level Agreement with WPBL for various services, including general internal audit support. As part of internal control system, the PCC has a procedure manual in place for implementing, maintaining and monitoring the internal controls. The activities of the PCC are subject to internal audit reviews. The objective of those functional reviews is to identify the risks involved in a view to mitigate the risks to a certain level.

The areas, systems and processes covered by the internal audit which also include non-financial matters are listed on the internal audit plan which is approved by the Audit and Risk Committee. The internal auditor is authorised to have full and unrestricted access to records, personnel, and physical properties relevant to the performance of its engagements.

The internal audit function reports to the Audit and Risk Committee which meets twice yearly. Hence, internal audit reports are tabled to the Audit and Risk Committee while also obtaining reports from the Company's external auditor.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2018

Principle 5: Risk Governance and Internal Control (Contd)

The reports from the internal and external auditors are, thereafter, tabled directly to the Board.

5.1 Risk Management and internal controls

The Audit & Risk Committee under the supervision of the Board is responsible for determining the overall strategic direction and the proper risk management strategy and policies of the Company. It sets the appropriate risk level and tolerance of the Company. The risk strategy covers all the major risk areas in which the Company has significant exposure. The risk management strategy is based on diversification and acceptable levels of exposure/limits to different asset classes, currencies, issuers, regions and risk levels.

The Company has established control procedures to mitigate any operational risks related to the management of the Company. The major risk areas addressed are investment, liquidity and currency risks and supervisory control. Management is responsible for the implementation of internal control and risk management systems under the supervision of the Audit & Risk Committee which ensure that proper accounting records are maintained and that the strategies and policies adopted by the Board are being implemented.

The Audit & Risk Committee has monitored and reviewed the Company's strategic, financial, operational and compliance risk during the year under review.

In addition, the internal auditors ensure that appropriate controls are in place to mitigate all potential risk areas of the Company and their recommendation is considered by the Audit & Risk Committee on a regular basis. The internal auditor covers all key areas of activities, including IT. Any deviation in policies and non-performance of internal control are duly reported and discussed at large at management and Audit & Risk Committee levels. Corrective actions are promptly taken, and regular follow ups are done. This enables the Board to derive assurance that the internal control systems are effective.

Based on the issues or risks identified by the internal and external auditors, their recommendations and management actions adopted to mitigate the risks, the Board received assurance that the internal control systems are adequate and effective. Subsequently, the Board ensures that controls in place result in an acceptable level of risk with the Audit and Risk Committee overseeing the effectiveness of the Company's internal control systems. The Board has ensured that risk management policies have been communicated to management and all existing and new employees as appropriate to their roles within the organisation and has ensured that communication has been effective and understood.

The Board is of the opinion that all significant areas of the business are covered by the internal controls of the Company. Management acknowledges that there may be risks and deficiencies in the internal controls and actively works in close collaboration with the internal audit function and the external auditors in identifying/ resolving risks or deficiencies in the organisation's system of internal controls.

5.2 Whistleblowing rules and procedures

The Company has adopted the whistle blowing of WPBL.

For any suspicious or illegal transactions or behaviour, officers and directors are encouraged to lodge reports promptly to the money laundering officer as per the Financial Intelligence and Anti Money Laundering Act 2002 and Prevention of Corruption Act 2002.

5.3 Financial risk

The financial risk factors have been set out in note 4 of these financial statements.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2018

Principle 6: Reporting with integrity

The directors are responsible for the preparation and fair presentation of the financial statements, comprising the Company's and the Cells' statement of financial position, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards ("IFRS"), the Financial Reporting Act 2004, and the Mauritian Companies Act 2001.

The directors' responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Notice of annual meeting is sent to shareholders in a timely manner and minutes of annual meetings are sent to shareholders for review and comments, in accordance with the Mauritian Companies Act 2001.

The directors assess the Company's ability to continue as a going concern and same is disclosed in the financial statements every year.

Due to the nature of its activities the Company has:

- no adverse impact on environment;
- no health and safety issues;
- no adverse social issues;
- no corporate social responsibility in place;
- not made any donations during the current or in previous year.

The Statement of Directors Responsibilities is found on Pages 3 and 4 of the annual report

The annual report of the Cell will be published on the Company's website, within ninety (90) business days after the financial year-end.

Principle 7: Audit

7.1 Internal Audit

The internal audit function of the Company is carried out by WPBL by virtue of a Service Level Agreement. As the internal audit team is not involved in the Company's operations and are independent from the activities of the Company, the Board does not consider that there is any independence issues. The internal auditor regularly reports to the Audit and Risk Committee which meets twice yearly.

More information on the internal audit function is given under Principle 5 and on page 18 of the Corporate Governance Report.

7.2 External Audit

Grant Thornton has been appointed as external auditors of the Company since the incorporation of the Company in 2014. Also, there has been a partner rotation at Grant Thornton in 2017 with regards to the audit of the Company.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2018

Principle 7: Audit (Contd)

7.2 External Audit (Contd)

The Audit & Risk Committee has reviewed the audit process, the effectiveness and performance of the audit team and the output, quality and cost effectiveness of the audit and concluded that the services of Grant Thornton be retained. The appointment/reappointment of external auditors is subject to shareholder's approval at the annual meeting.

The Audit & Risk Committee meets the External Auditors without management presence.

During the meetings, the financial statements of the Company and its Cells and the critical accounting principles, judgements and estimates were discussed and no significant issues were identified.

Audit fees payable to Grant Thornton for the year under review amounted to USD 51,500 (2017: USD 46,000).

The Company has appointed Grant Thornton (Advisory Services) Ltd for tax compliance and other services. Tax services fees for the year under review amounted to USD 5,000 (2017: USD 5,000).

The audit and advisory department of Grant Thornton are two separate departments and the manager and signing partner for the provision of each service are different persons.

Principle 8: Relations with Shareholders and other key stakeholders

8.1 Shareholders' Agreement

There are no agreements in place between the Company and any shareholders.

8.2 Employee Share Option Plan

The Company has no Employee Share Option Plan in place.

8.3 Third Party Management Agreement

Save and except for the Service Level Agreement with WPBL, no agreement relating to management services between third parties and the Company was entered during the year under review.

8.4 Shareholders and Stakeholders communication

The Board of Directors places great importance on transparency and optimal disclosure to shareholders and hence ensures that shareholders are kept informed on matters affecting the Company. All material business developments that influence the Company or the Cell are communicated to stakeholders in a

transparent and timely manner through various communication channels including official press announcements.

Annual audited financial statements are provided to shareholders and investors of the cells of the PCC within ninety (90) business days after each financial year-end.

Shareholders are also invited to attend the Company's Annual Meeting, which remains the ideal forum for discussions with Directors and the Management Team. Through the services of the Secretary, notice of the Annual Meeting or other Shareholder meetings and other related papers are provided to Shareholders at least 14 days prior to such meetings. The Management presents the major operational development of the Company during the Annual meeting and Shareholders are invited to raise any questions and discussions they deem necessary.

CORPORATE GOVERNANCE REPORT (CONTD)

FOR THE YEAR ENDED 31 DECEMBER 2018

Principle 8: Relations with Shareholders and other key stakeholders (Contd)

8.5 Key Stakeholders

Key stakeholders of the Company include international financial institutions and/or their relevant divisions (banking/custody/brokerage/asset management) with which the Company is in regular communication to ensure that all the requirements of the stakeholders are met for proper business conduct and for them to also understand the Company's requirements and exigencies.

8.6 Dividend policy

The Company declares dividend in accordance with the Companies Act 2001 of Mauritius. Payment of dividend is approved by the Board. The aim of the Board is to provide its shareholders with a fair return on their investments. In line with sound management principle, dividend declaration is subject to positive results and solvency test as defined by the Mauritius Companies Act 2001.

8.7 Appreciation

The Board expresses its appreciation and gratitude to all those involved for their contribution during the year.

8.8 Time table of important events

Month	Events
May 2019	Publication of 1 st quarter results
June 2019	Annual meeting
August 2019	Interim dividend to holder of Management shares
August 2019	Publication of 2 nd quarter results
November 2019	Publication of 3 rd quarter results
December 2019	Final dividend to holder of Management shares
December 2019	Financial year end

STATEMENT OF COMPLIANCE

(Section 75(3) of the Financial Reporting Act 2004)

Name of Public Interest Entity ('PIE'):

Warwyck Phoenix PCC

Reporting Period:

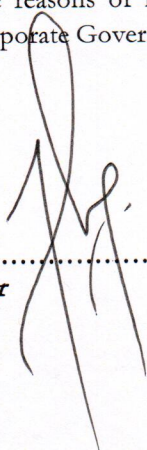
Financial year ended 31 December 2018

We, the directors of Warwyck Phoenix PCC, (the 'Company'), hereby confirm to the best of our knowledge that the Company has complied with all its obligations and requirements under the National Code of Corporate Governance 2016 (the 'Code') except for the following principles:

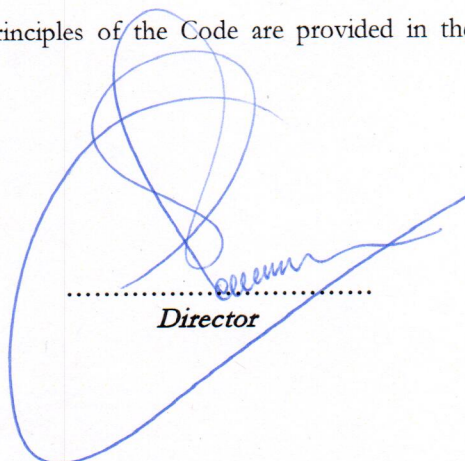
1. Principle 2: Board diversity (Page 9)
2. Principle 7: Financial literacy of members of audit committee (Page 11)

The reasons of non-compliance with the above principles of the Code are provided in the Corporate Governance Report.

.....
Director




.....
Director



Certificate from the Secretary to the member of Warwyck Phoenix PCC

We certify, to the best of our knowledge and belief, that the Company has filed with the Registrar of Companies all such returns as required by the Company under the Mauritius Companies Act 2001, in terms of Section 166 (d), during the financial year ended 31 December 2018.



Anex Management Services Ltd
Secretary

8th Floor, Ebene Tower
52 Cybercity
Ebene 72201
Republic of Mauritius

Date:

28 MAR 2019

Independent auditors' report To the member of Warwyck Phoenix PCC

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Warwyck Phoenix PCC, the “Company”, which comprise the statement of financial position as at 31 December 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements on pages 29 to 50 give a true and fair view of the financial position of the Company as at 31 December 2018 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' 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, 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.

Information Other than the Financial Statements and Auditors' Report Thereon (“Other Information”)

Management is responsible for the Other Information. The Other Information comprises the information included in the Corporate Data, Annual Report, Corporate Governance Report, Statement of Compliance and Report from the Company's secretary as required by the Mauritius Companies Act 2001 but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Independent auditors' report (Contd) **To the member of Warwyck Phoenix PCC**

Report on the Audit of the Financial Statements (Contd)

Information Other than the Financial Statements and Auditors' Report Thereon ("Other Information") (Contd)

Corporate Governance Report

Our responsibility under the Financial Reporting Act is to report on the compliance with the Code of Corporate Governance disclosed in the annual report and assess the explanations given for non-compliance with any requirements of the Code. From our assessment of the disclosures made on Corporate Governance in the annual report, the Company has, pursuant to section 75 of the Financial Reporting Act, complied with the requirements of the Code.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001 and the Financial Reporting Act 2004, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' 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 auditors' 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent auditors' report (Contd)

To the member of Warwyck Phoenix PCC

Report on the Audit of the Financial Statements (Contd)

Auditors' Responsibilities for the Audit of the Financial Statements (Contd)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or any interests in, the Company other than in our capacity as auditors;
- we have obtained all the information and explanations we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.



Independent auditors' report (Contd) To the member of Warwyck Phoenix PCC

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act 2001

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or any interests in, the Company other than in our capacity as auditors;
- we have obtained all the information and explanations we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Other matter

Our report is made solely to the member of the Company as a body in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to it in an auditors' 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 member as a body, for our audit work, for this report, or for the opinion we have formed.

Grant Thornton

Grant Thornton
Chartered Accountants

JUNAID HAJEE ABDOLA, FCCA
Licensed by FRC

Date: **28 MAR 2019**

Ebene 72201, Republic of Mauritius

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

		2018	2017
	Notes	USD	USD
Assets			
Non-Current			
Plant and equipment	8	8,277	-
Non-current assets		8,277	-
Current			
Other receivables	9	419,864	809,306
Cash and cash equivalents	10	179,830	535,584
Current assets		599,694	1,344,890
Total assets		607,971	1,344,890
Equity and Liabilities			
Equity			
Stated capital	11	100	100
Retained earnings		474,015	1,017,311
Total equity		474,115	1,017,411
Current			
Payables and accruals	12	89,085	314,466
Current tax liability	7	44,771	13,013
Current liabilities		133,856	327,479
Total liabilities		133,856	327,479
Total equity and liabilities		607,971	1,344,890

Approved by the Board of Directors on **March 28, 2019** and signed on its behalf by:

.....
Director

.....
Director

The notes on pages 33 to 50 form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

		2018	2017
	Notes	USD	USD
INCOME			
Management income	13	1,496,397	708,445
Subscription and redemption income	14	1,850,092	418,396
Performance income	15	13,228	1,408,644
Other income	16	106,796	118,339
Total income		3,466,513	2,653,824
EXPENSES			
Salaries and related costs	17	182,069	147,608
Directors' fees		25,000	36,458
Insurance fees		23,624	18,525
Legal and professional fees		2,928	3,479
Administration fees		13,974	17,488
Licence fees		5,100	625
Audit fees		4,525	4,230
Service fees		541,620	874,800
Depreciation		2,189	-
Other expenses		163,243	35,747
Total expenses		964,272	1,138,960
Operating profit		2,502,241	1,514,864
Net foreign exchange (losses)/gains		(66,756)	90,857
Profit before tax		2,435,485	1,605,721
Tax expense	7	(78,781)	(44,462)
Profit for the year		2,356,704	1,561,259
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified subsequently to profit or loss		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		2,356,704	1,561,259
Earning per share ("EPS")	18	23,567.04	15,612.59

The notes on pages 33 to 50 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

	Stated Capital	Retained Earnings	Total
	USD	USD	USD
At 01 January 2018	100	1,017,311	1,017,411
Profit for the year	-	2,356,704	2,356,704
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	2,356,704	2,356,704
Dividends paid (Note 11.1)	-	(2,900,000)	(2,900,000)
Transactions with the shareholder	-	(2,900,000)	(2,900,000)
At 31 December 2018	100	474,015	474,115

	Stated Capital	Retained Earnings	Total
	USD	USD	USD
At 01 January 2017	100	209,921	210,021
Profit for the year	-	1,561,259	1,561,259
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	1,561,259	1,561,259
Dividends paid (Note 11.1)	-	(753,869)	(753,869)
Transactions with the shareholder	-	(753,869)	(753,869)
At 31 December 2017	100	1,017,311	1,017,411

The notes on pages 33 to 50 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	USD	USD
Operating activities		
Profit before tax	2,435,485	1,605,721
<i>Net changes in working capital:</i>		
Change in other receivables	389,442	(600,694)
Change in payables and accruals	(225,381)	119,451
Total changes in working capital	164,061	(481,243)
Taxes paid	(47,023)	(76,025)
Net cash from operating activities	2,552,523	1,048,453
Investing activities		
Investment in plant and equipment	(8,277)	-
Net cash used in investing activities	(8,277)	-
Financing activities		
Dividends paid	(2,900,000)	(753,869)
Net cash used in financing activities	(2,900,000)	(753,869)
Net change in cash and cash equivalents	(355,754)	294,584
Cash and cash equivalents at the beginning of the year	535,584	241,000
Cash and cash equivalents at end of the year	179,830	535,584
Cash and cash equivalents made up of:		
Cash at bank (Note 10)	179,830	535,584

The notes on pages 33 to 50 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information and statement of compliance with International Financial Reporting Standards (“IFRS”)

Warwyck Phoenix PCC, “the Company”, was incorporated in the Republic of Mauritius under the Mauritius Companies Act 2001 on 21 August 2014 as a private company with liability limited by shares. It holds a Category 1 Global Business Licence issued by the Financial Services Commission. The Company is licensed to act as Collective Investment Scheme Manager pursuant to the Securities Act 2005. The Company’s registered office is Warwyck House, Nalletamby Road, Phoenix 73538, Republic of Mauritius.

Pursuant to a special resolution of the sole shareholder dated 03 May 2016, the status of the Company was changed to a public company with liability limited by shares. On 14 November 2016, eight Cells of the Company became listed on the Stock Exchange of Mauritius Ltd and at 31 December 2018, the Company had seven listed Cells.

The Company is a Protected Cell Company (PCC) organised as a Collective Investment Scheme (CIS) and is categorised as an expert fund pursuant to the Securities Act 2005 and the regulation made hereunder.

For each series of Shares issued, the Company establishes a separate and distinct Protected Cell in order to segregate assets and liabilities attributable to a particular Class of Share of the Company from the assets and liabilities attributable to other classes of Shares.

The financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (“IASB”).

2. Adoption of new and revised International Financial Reporting Standards

2.1 New and revised standards that are effective for the annual period beginning on 01 January 2018

In the current year, the following new and revised standards and interpretation issued by IASB became mandatory for the first time for the financial year beginning on 01 January 2018:

IAS 40, Transfer of Investment Property (Amendments to IAS 40)

Under these amendments an entity shall transfer a property to, or from, investment property when, and only when, there is evidence of a change in use. A change of use occurs if property meets, or ceases to meet, the definition of investment property. A change in management’s intentions for the use of a property by itself does not constitute evidence of a change in use.

IFRIC 22 Foreign Currency Transactions and Advance Consideration

IFRIC 22 clarifies the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency.

IFRS 4, Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4)

The amendments in Applying IFRS 9 ‘Financial Instruments’ with IFRS 4 ‘Insurance Contracts’ (Amendments to IFRS 4) provide two options for entities that issue insurance contracts within the scope of IFRS 4.

IFRS 9, Financial Instruments (2014)

The complete version of IFRS 9 replaces most of the guidance in IAS 39. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit and loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

2. Adoption of new and revised International Financial Reporting Standards (Contd)

2.1 New and revised standards that are effective for the annual period beginning on 01 January 2018 (Contd)

IFRS 2, Classification and Measurement of Share-based Payment Transactions (Amendments to IFRS 2)

The amendments bring clarification on the following matters:

- the accounting for cash-settled share-based payment transactions that include a performance condition;
- the classification of share-based payment transactions with net settlement features; and
- the accounting for modifications of share-based payment transactions from cash-settled to equity-settled.

IFRS 15, Revenue from Contracts with Customers

This is the converged standard on revenue recognition. It replaces IAS 11, 'Construction contracts', IAS 18, 'Revenue' and related interpretations.

Management has assessed the impact of these new and revised standards and interpretation and concluded that only IFRS 9, Financial Instruments (2014) and IFRS 15, Revenue from Contracts with Customers have an impact on these financial statements.

The adoption of IFRS 15 and IFRS 9 have the following impact on the financial statements.

IFRS 15 "Revenue from Contracts with Customers"

IFRS 15 replaces IAS 18 "Revenue", IAS 11 "Construction Contracts", and several revenue-related interpretations. The application of IFRS 15 does not have a material impact on the recognition and measurement of revenue by the Company.

The Company's accounting policy on revenue is detailed in Note 3.5 to these financial statements.

IFRS 9 "Financial Instruments"

IFRS 9 replaces IAS 39 "Financial Instruments: Recognition and Measurement". It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an "expected credit loss" model for impairment of financial assets.

When adopting IFRS 9, the Company has applied transitional relief and opted not to restate prior periods. Differences arising from the adoption of IFRS 9 in relation to classification, measurement and impairment are recognised in retained earnings. However, no differences were noted for the Company that were meant to be recognised in retained earnings as illustrated in the table below.

The adoption of IFRS 9 has impacted the following areas:

- The Company's financial assets comprise of other receivables and cash and cash equivalents. The application of IFRS 9 have impacted on the classification of the Company's other receivables and cash and cash equivalents which have been reclassified from loans and receivables to amortised cost.
- The impairment of financial assets applying the expected credit loss model (ECL). There is no financial instruments which have been affected by the ECL model during the year for the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

2. Adoption of new and revised International Financial Reporting Standards (Contd)

2.1 New and revised standards that are effective for the annual period beginning on 01 January 2018 (Contd)

IFRS 9 “Financial Instruments” (Contd)

On the date of initial application, 01 January 2018, the financial instruments of the Company were reclassified as follows:

	Original	New IFRS 9	Original carrying	New carrying	Retained
	IAS 39 category	category	amount under	amount under	earnings
			IAS 39	IFRS 9	effect
			USD	USD	USD
Financial assets					
Current					
Other receivables	Loans and receivables	Amortised cost	809,306	809,306	-
Cash and cash equivalents	Loans and receivables	Amortised cost	535,584	535,584	-
Total			1,344,890	1,344,890	-

There have been no changes to the classification or measurement of financial liabilities as a result of the application of IFRS 9. Payables and accruals are still classified as amortised cost.

2.2 Standards, amendments to existing standards and interpretations that are not yet effective and have not been adopted early by the Company

At the date of authorisation of these financial statements, several new, but not yet effective, Standards, amendments to existing Standards and Interpretations have been published by the IASB. None of these Standards, amendments or Interpretations have been adopted early by the Company.

Management anticipates that all relevant pronouncements, will be adopted in the Company's accounting policies for the first period beginning on or after the effective date of the pronouncement. Information on new Standards, amendments to existing Standards and Interpretations is provided below.

IFRS 17, Insurance Contracts

IFRS 17 provides guidance on how to assess the significance of insurance risk based on the possibility of a loss on a present value basis (rather than nominal), and how to evaluate changes in the level of insurance risk.

IFRS 16, Leases

The new standard requires lessees to account for leases 'on-balance sheet' by recognising a 'right of use' asset and a lease liability. It will affect most companies that report under IFRS and are involved in leasing, and will have a substantial impact on the financial statements of lessees of property with high value equipment.

IFRIC 23, Uncertainty over Income Tax Treatments

IFRIC had observed that there was diversity in practice for various issues on the recognition and measurement of a tax liability or asset in circumstances where there is uncertainty in the application of the tax law in concern. IFRIC 23 addresses uncertainty over how tax treatments should affect the accounting for income taxes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

2. Adoption of new and revised International Financial Reporting Standards (Contd)

2.2 Standards, amendments to existing standards and interpretations that are not yet effective and have not been adopted early by the Company (Contd)

IFRS 9, Prepayments Features with Negative Compensation (Amendments to IFRS 9)

This amends the existing requirements in IFRS 9 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

IAS 28, Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)

The amendment clarifies that an entity applies *IFRS 9, Financial Instruments* to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.

IAS 1/ IAS 8, Definition of Material (Amendments to IAS 1 and IAS 8)

The International Accounting Standards Board (IASB) has issued 'Definition of Material (Amendments to IAS 1 and IAS 8)' to clarify the definition of 'material' and to align the definition used in the Conceptual Framework and the standards themselves.

IAS 19, Plan Amendment, Curtail or Settlement (Amendments to IAS 19)

The International Accounting Standards Board (IASB) has published 'Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)' thus finalising one of two issues relating to IAS 19 submitted to the IFRS Interpretations Committee and exposed together in June 2015.

IFRS 3 Definition of a Business (Amendments to IFRS 3)

The International Accounting Standards Board (Board) has issued narrow-scope amendments to IFRS 3 *Business Combinations* to improve the definition of a business. The amendments will help companies determine whether an acquisition made is of a business or a group of assets, effective for accounting periods beginning on or after 01 January 2020.

Management has yet to assess the impact of the above Standards, amendments to existing Standards and Interpretations on the Company's financial statements.

3. Summary of accounting policies

3.1 Overall considerations

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

3.2 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. Subsequent measurement of financial assets and liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

3.2 Financial instruments (Contd)

Classification and subsequent measurement of financial assets

All financial assets are initially measured at fair value adjusted for transaction costs.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

- Amortised cost;
- Fair value through profit or loss (FVTPL); and
- Fair value through other comprehensive income (FVOCI).

In the current year, the Company does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the Company's business model for managing the financial asset.
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income, finance costs or other financial items, except for impairment of receivables which is presented within other expenses.

All income and expenses relating to financial assets are recognised in the statement of comprehensive income.

Financial assets at fair value through profit or loss

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets where contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

At the reporting date, the Company did not have any financial assets at fair value through profit or loss.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

3.2 Financial instruments (Contd)

Subsequent measurement of financial assets

Financial assets at amortised cost (Contd)

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents fall into this category of financial instruments.

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaces IAS 39's 'incurred loss model'. For the Company, there is no instruments applicable within the scope of the new requirements.

Recognition of credit losses is no longer dependent on the Company's first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ("Stage 1"); and
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ("Stage 2").

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognized for the first category while 'lifetime expected credit losses' are recognized for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and measurement of financial liabilities

As the accounting of financial liabilities remains largely the same under IFRS 9 compared to IAS 39, the Company's financial liabilities were not impacted by the adoption of IFRS 9.

The Company's financial liabilities comprise of payables and accruals.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequent measurement of financial liabilities

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Offsetting financial instruments

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

3. Summary of accounting policies (Contd)

3.3 Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and bank overdrafts. Cash equivalents are short term, highly liquid investments maturing within 90 days from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3.4 Equity, reserves and dividend payments

Stated capital is determined using the value of shares that have been issued.

The management shares are non-redeemable and are classified as equity.

Retained earnings include all the current year and prior years' results.

Dividend payments to equity shareholder are included in retained earnings when the dividends have been approved by the Board prior to the reporting date.

3.5 Revenue recognition

Interest income and management income is accounted on an accrual basis unless collectability is in doubt.

Subscription and/or redemption income, performance income, dividend income and other income are recognised when the right to receive payment is established.

3.6 Expense recognition

All expenses are accounted for on the accrual basis in the statement of comprehensive income.

3.7 Income tax

Tax expense recognised in the statement of comprehensive income comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting years, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting year.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective year of realisation, provided they are enacted or substantively enacted by the end of the reporting year.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Company's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

3. Summary of accounting policies (Contd)

3.7 Income tax (Contd)

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

3.8 Foreign currency translation

Functional and presentation currency

The financial statements are presented in United States Dollar ("USD"), which is also the functional currency of the Company.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Company, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the statement of comprehensive income.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

3.9 Impairment of assets

At each reporting date, the Company reviews the carrying amount of its assets to determine whether there is any indication that these assets have suffered an impairment loss. When an indication of impairment loss exists, the carrying amount of the asset is assessed and written down to its recoverable amount.

3.10 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. At the time of the effective payment, the provision is deducted from the corresponding expenses. All known risks at reporting date are reviewed in detail and provision is made where necessary.

3.11 Plant and equipment

Plant and equipment are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management. Plant and equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual values. The depreciation rates are as follows:

Furniture – 20%
Hardware – 25%

Where the carrying amount of an asset is greater than its estimated amount, it is written down immediately to its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

3. Summary of accounting policies (Contd)

3.11 Plant and equipment (Contd)

Gains or losses arising on the disposal of plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within “other income” or “other expenses”.

The assets’ residual values, useful lives and methods of depreciation are reviewed and adjusted, if appropriate, at each reporting date. Repairs and maintenance costs are expensed.

3.12 Related party

A related party is a person or company where that person or company has control or joint control of the reporting company; has significant influence over the reporting company; or is a member of the key management personnel of the reporting company or of a parent of the reporting company.

3.3 Post-employment benefits and short-term employee benefits

National pension scheme

Contributions to the National Pension Scheme are expensed to the statement of comprehensive income in the year in which they fall due.

Short-term employee benefits

Short-term employee benefits, including passage benefit, holiday entitlements, sick and local leaves are included in salaries and related costs.

3.14 Comparatives

Where necessary, comparatives figures have been adjusted to conform to changes in presentation in the current year.

3.15 Significant management judgements in applying accounting policies and estimation uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgement

Significant management judgement in applying the accounting policies of the Company that has the most significant effect on the financial statements.

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising therefrom are dependent on the functional currency selected. The directors have considered those factors and have determined that the functional currency of the Company is the USD.

Allocation of expenses

The directors determine the revenues and expenses directly attributable to each cell of the Company. For those revenues and expenses that cannot be directly allocated to their specific cell, the classification between the cells involve significant judgement.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

3. Summary of accounting policies (Contd)

3.15 Significant management judgements in applying accounting policies and estimation uncertainty (Contd)

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. At year end, management considered that the useful lives represent the expected utility of the assets of the Company. The carrying amounts are analysed in Note 8.

4. Financial instrument risk

Risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised below:

31 December 2018	Amortised cost USD
Financial assets	
Current	
Other receivables	419,864
Cash and cash equivalents	179,830
Total financial assets	599,694

	Amortised cost USD
Financial liabilities	
Current	
Payables and accruals	89,085

31 December 2017	Loans and receivables USD
Financial assets	
Current	
Other receivables	809,306
Cash and cash equivalents	535,584
Total financial assets	1,344,890

	Amortised cost USD
Financial liabilities	
Current	
Payables and accruals	314,466

The main types of risks are market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Company's risk management is coordinated by management in close cooperation with the Board of Directors and focuses on securing the Company's short to medium-term cash flows by minimising the exposure to financial markets.

The most significant financial risks to which the Company is exposed are described below.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

4.1 Market risks analysis

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk, which result from both its operating and investing activities.

Foreign currency sensitivity

The Company is exposed to foreign exchange risk arising from its currency exposures, primarily with respect to the EURO (EUR) and Mauritian Rupee (MUR). Consequently, the Company is exposed to the risks that the exchange rate of the United States Dollar (USD) relative to the EUR and MUR may change in a manner which has a material effect on the reported values of the Company's assets and liabilities which are in these currencies. The Company does not use any financial instruments to hedge its foreign exchange risk.

The Company manages its foreign currency exposures by forecasting its need for foreign currencies.

Foreign currencies denominated financial assets and liabilities which expose the Company to currency risks are disclosed below.

	2018 USD	2017 USD
Financial assets		
USD	22,734	121,677
EUR	576,960	1,223,213
Total	599,694	1,344,890

	2018 USD	2017 USD
Financial liabilities		
USD	89,085	310,014
EUR	-	4,452
Total	89,085	314,466

The table below illustrates the sensitivity of profit and equity in regards to the EUR/USD and MUR/USD exchange rates "all other things being equal".

It assumes the following percentage changes in the exchange rates:

	2018 % change	2017 % change
EUR	4.5%	12.4%
MUR	2.2%	6.7%

These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Company's foreign currency financial instruments held at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

4.1 Market risks analysis (Contd)

Foreign currency sensitivity (Contd)

If the USD had strengthened against the stated currencies by the above percentages, then this would have had the following impact:

	2018 USD	2017 USD
	Profit and equity	Profit and equity
EUR	25,856	150,775
MUR	(73)	528
Total	25,783	151,303

If the USD had weakened against the stated currencies by the above percentages, then this would have had the following impact:

	2018 USD	2017 USD
	Profit and equity	Profit and equity
EUR	(25,856)	(150,775)
MUR	73	(528)
Total	(25,783)	(151,303)

Exposures to foreign exchange rates vary during the year depending upon the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Company's exposure to currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's exposure to interest rate risk is limited to its bank balance and the interest thereon is based on market rates. At 31 December 2018, the bank balance stood at USD 179,830 (31 December 2017: USD 535,584) and no interest was earned during the financial year (31 December 2017: Nil).

4.2 Credit risk analysis

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has policies in place to deal with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company has no history of default clients. The Company continuously monitors defaults of customers and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	2018 USD	2017 USD
Current		
Other receivables	419,864	809,306
Cash and cash equivalents	179,830	535,584
Total	599,694	1,344,890

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

4. Financial instrument risk (Contd)

Risk management objectives and policies (Contd)

4.2 Credit risk analysis (Contd)

The credit risk for the other receivables relates to amounts due from the Cells and hence the directors consider that no risk is associated with these balances.

The carrying amount of financial risks recorded in the financial statements represents the Company's maximum exposure to credit risk.

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high credit-ratings assigned by international credit-rating agencies.

4.3 Liquidity risk analysis

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the holding company which also monitors the Company's short, medium and long-term funding and liquidity management requirements. The Company manages its liquidity risk by maintaining adequate bank balances through timely recovery of receivables.

The Company's financial liabilities have contractual maturities within one year which are summarised below:

	2018 USD	2017 USD
Payables and accruals	89,085	314,466

5. Capital management policies and procedures

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to its shareholders.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid, buy back shares or issue new shares.

The Company monitors capital on the basis of the gearing ratio. The Company was not geared at 31 December 2018 and 31 December 2017 as it does not have any external borrowings.

6. Fair value measurement

6.1 Fair value measurement of financial instruments

The Company's financial instruments are measured at their carrying amounts, which approximate their fair values. The Company's non-financial liabilities consist of current tax liabilities.

At the reporting date, the Company did not have any non-financial assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

7. Taxation

7.1 Income tax

Under current laws and regulations, the Company is liable to pay income tax on its net income at a rate of 15%. The Company is, however, entitled to a tax credit equivalent to the higher of actual foreign tax suffered or 80% of Mauritian tax payable in respect of its foreign source income, thus reducing its maximum effective tax rate to 3%. No Mauritian capital gains tax is payable on profits arising from sale of securities, and any dividends paid by the Company to its shareholder will be exempt in the Republic of Mauritius from any withholding tax.

The Company has received a tax certificate from the Mauritian tax authorities that it is a tax resident of the Republic of Mauritius, and such certification is renewed on an annual basis subject to satisfying certain conditions.

The Company is subject to the Advance Payment Scheme (APS) under Section 50B and 50C of the Mauritian Income Tax Act 1995 whereby it is required to submit an APS statement and pay tax quarterly on the basis of either last year's income or the income for the current quarter.

At 31 December 2018, the Company had a net income tax liability of USD 44,771 (2017: USD 13,013) and the income tax charge for the year was USD 78,781 (2017: USD 44,462).

(i) Statement of comprehensive income

	2018 USD	2017 USD
Income tax expense	78,781	44,462

(ii) Statement of financial position

	2018 USD	2017 USD
Current tax liability	44,771	13,013

(iii) Movement in current tax liability

	2018 USD	2017 USD
At 01 January	13,013	44,576
Charge for the year	78,781	45,374
Tax paid during the year	(13,013)	(44,576)
Tax deducted under the Advanced Payment Scheme	(34,010)	(32,361)
At 31 December	44,771	13,013

(iv) Income tax reconciliation

A numerical reconciliation between profit before tax and the actual income tax charge is shown below:

	2018 USD	2017 USD
Profit before tax	2,435,485	1,605,721
Tax at 15%	365,323	240,858
Disallowed expenses	5,936	-
Exempt income	(220)	(18,548)
Tax credit (80%)	(292,258)	(177,848)
Tax expense	78,781	44,462

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

7. Taxation (Contd)

7.1 Income tax (Contd)

(v) Deferred taxation

Deferred income taxes are calculated on all temporary differences under the liability method at the rate of 3%. The Company has not recognised any deferred tax liability/asset as it is immaterial to the account.

8. Plant and equipment

	Furniture USD	Hardware USD	Total USD
Cost			
Additions during the year	2,420	6,672	9,092
At 31 December 2018	2,420	6,672	9,092
Depreciation			
Charge for the year	96	719	815
At 31 December 2018	96	719	815
Net book values			
At 31 December 2018	2,324	5,953	8,277

All depreciation and impairment charges are included within depreciation of non-financial assets.

9. Other receivables

	2018 USD	2017 USD
Other receivables	419,864	809,306

- (i) The amount for other receivables consist mainly of management fees receivable and performance fees receivable which are interest free, unsecured and receivable on demand.
- (ii) The carrying amount of other receivables is considered to be a reasonable approximation of the fair value.

10. Cash and cash equivalents

	2018 USD	2017 USD
Cash at bank:		
USD	19,326	113,741
EUR	157,096	413,907
MUR	3,408	7,936
Total	179,830	535,584

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

11. Stated capital

	2018	2017
	USD	USD
<i>Issued and fully paid:</i>		
100 Management shares of USD 1 each	100	100

- (i) In accordance with the Company's Constitution, the main rights and obligations attached to the management shares are as follows:
- Each holder of Management shares shall be entitled to receive notice of, to attend and vote at, all meetings of shareholders, with each Management share having one vote on a poll;
 - Management shares shall carry dividend rights;
 - Management shares shall not be redeemable by shareholders holding such shares prior to the liquidation, dissolution or winding up of the Company;
 - Management shares may not be held by or transferred to any person without the approval of the Board; and
 - In a liquidation, dissolution or winding up of the Company, holders of Management shares shall be entitled to repayment in accordance with Article 37 in the Constitution.

11.1 Dividends

	2018	2017
	USD	USD
Dividends declared and paid	2,900,000	753,869
Dividends per share	29,000.00	7,538.69

12. Payables and accruals

	2018	2017
	USD	USD
Due to related party (Note (i))	85,038	305,947
Accruals	4,047	8,519
Total	89,085	314,466

- (i) The amount due to the related party is unsecured, interest free and repayable on demand.
- (ii) The carrying amounts of payables and accruals is a reasonable approximation of their fair values.

13. Management income

	2018	2017
	USD	USD
Management fees	1,496,397	708,445

Management income is paid by the operating cells to the Company based on a percentage of their net asset value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

14. Subscription and redemption income

	2018 USD	2017 USD
Subscription and redemption	1,850,092	418,396

Subscription and/or redemption income is paid by the cells' investors to the Company based on a percentage of their subscription and/or redemption amount.

15. Performance income

	2018 USD	2017 USD
Performance income	13,228	1,408,644

Performance income is paid by the operating cells to the Company based on a percentage by which the net asset value per share is greater than the Rolling Target (as defined in their respective agreements).

16. Other income

	2018 USD	2017 USD
Other income	106,796	118,339

Other income relates mainly to chairman and director fees charged to the Cells.

17. Salaries and related costs

Analysis of staffs costs (excluding directors' remuneration and fees) and number of employees:

	2018 USD	2017 USD
Salaries and related costs	182,069	147,608
Number of employees at end of year	6	5

18. Earnings per share

The earnings and number of shares in issue used in the calculation of earnings per share as follows:

	2018 USD	2017 USD
Profit for the year attributable to equity holder	2,356,704	1,561,259
Number of shares in issue	100	100
Earnings per share	23,567.04	15,612.59

Note that EPS has been calculated using the number of shares at year end.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

19. Related party transactions

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions and key management personnel.

During the year ended 31 December 2018, the Company had transactions with the following related parties. Details of the nature, volume of transactions and the balances with the entities are as follows:

Nature of relationship	Nature of transactions	Volume of transactions USD	Credit balances at 31 December 2018 USD	Credit balances at 31 December 2017 USD
Warwyck Private Bank Ltd	Service fees	541,620	(69,291)	(82,800)

The terms and conditions of the balances are stated in Note 12 to these financial statements.

20. Contingent liabilities

The Company has no litigation claims outstanding, pending or threatened against it, which could have a material adverse effect on the Company's financial position or results as at 31 December 2018.

21. Events after the reporting date

No adjusting or significant non-adjusting events have occurred between the 31 December reporting date and the date of authorisation of these financial statements.

22. Holding Company

The directors regard Warwyck Investment Holdings Ltd, a company incorporated in Republic of Mauritius, as the holding company.

ANNEXURE 1

REGISTER OF DIRECTORS' INTEREST

Mr. Frank Brusco

COMPANY NAME	DESCRIPTION OF INTEREST	ADDRESS OF COMPANY	NATURE OF BUSINESS OF ORGANISATION	START DATE OF INTEREST	END DATE OF INTEREST
Warwyck Phoenix PCC	Non-Executive Director	Warwyck House, Nalletamby Rd, Phoenix 73538, Mauritius	PCIS	10-Oct-14	-
Warwyck Private Bank Ltd	Chief Executive Officer	Warwyck House, Nalletamby Rd, Phoenix 73538, Mauritius	Private Banking	26-Jun-14	

Mr. Avinash Renga Sunassee

Company Name	DESCRIPTION OF INTEREST	ADDRESS OF COMPANY	NATURE OF BUSINESS OF ORGANISATION	START DATE OF INTEREST	END DATE OF INTEREST
Warwyck Private Bank Ltd	Director	Warwyck House, Nalletamby Rd, Phoenix 73538, Mauritius	Private Bank	26-Jun-14	-
Warwyck Phoenix PCC	Independent Non-Executive Director	Warwyck House, Nalletamby Rd, Phoenix 73538, Mauritius	PCIS	10-Oct-14	-
Associated Corporate Services Ltd	Director				
Associated Corporate Services Ltd	Shareholder				
Geneva Insurance Group PCC	Director	19th Floor, Newton Tower, 12 William Newton Street, Port Louis	Insurance		

Mr. Youmeshwar Ramdhony

COMPANY NAME	DESCRIPTION OF INTEREST	ADDRESS OF COMPANY	NATURE OF BUSINESS OF ORGANISATION	START DATE OF INTEREST	END DATE OF INTEREST
Warwyck Phoenix PCC	Chief Executive Officer	Warwyck House, Nalletamby Rd, Phoenix 73538, Mauritius	PCIS	10-Apr-17	-

Mr. Pascal Dulau

COMPANY NAME	DESCRIPTION OF INTEREST	ADDRESS OF COMPANY	NATURE OF BUSINESS OF ORGANISATION	START DATE OF INTEREST	END DATE OF INTEREST
Warwyck Phoenix Securities Ltd	Non-Executive Director	Warwyck House, Nalletamby Rd, Phoenix 73538, Mauritius	Investment Dealer	16-Jun-16	
Warwyck Phoenix PCC	Non-Executive Director	Warwyck House, Nalletamby Rd, Phoenix 73538, Mauritius	PCIS	16-Jun-16	
Warwyck Private Bank Ltd	Chief Executive Officer	Warwyck House, Nalletamby Rd, Phoenix 73538, Mauritius	Private Banking	07-Jun-16	
Warwyck Investments	Director	Warwyck House, Nalletamby Rd, Phoenix 73538, Mauritius	GBC 1	25-May-16	

Mr. Mohammad Shameer Mohuddy

COMPANY NAME	DESCRIPTION OF INTEREST	ADDRESS OF COMPANY	NATURE OF BUSINESS OF ORGANISATION	START DATE OF INTEREST	END DATE OF INTEREST
Longitude 57 Ltd	Director		Acquisition of RES villa	23.01.17	
MAS&PAG Ltd	Director		Acquisition of RES villa	13.10.16	
Wyzer (Mauritius) Ltd	Director		BPO (accounting services)	06.05.16	07.07.2017
Immu Park Ltd	Director		Acquisition of RES villa	06.05.16	
Harford Corporate Services Ltd	Director		Company secretarial service provider	14.09.16	
Sibram Ltd	Director		Holder of IRS villa	23.06.16	
Far East (Holdings) Ltd	Director		Holding company (offshore)	08.01.15	
Far East Express Ltd	Director		Freight service provider (offshore)	23.06.16	
Warwyck Phoenix PCC	Independent Non-Executive Director	Warwyck House, Nalletamby Rd, Phoenix 73538, Mauritius	PCIS	20-Jan-17	-

Mr. Ashwin Bhimal Ramlochun

COMPANY NAME	DESCRIPTION OF INTEREST	ADDRESS OF COMPANY	NATURE OF BUSINESS OF ORGANISATION	START DATE OF INTEREST	END DATE OF INTEREST
Warwyck Phoenix PCC	Executive Director / Fund Manager	Warwyck House, Nalletamby Rd, Phoenix 73538, Mauritius	PCIS	10-Apr-17	-