Financial Statements of

ROYTRIN HIGH YIELD FUND
CLASS B – EURO DOLLAR

June 30, 2023
(Expressed in Euro)

ROYTRIN HIGH YIELD FUND CLASS B – EURO DOLLAR

June 30, 2023

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Statement of Trustee's Responsibilities
Roytrin High Yield Fund Class B – Euro Dollar

The Trustee is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of Roytrin High Yield Fund Class B – EURO Dollar (the Fund), which comprise the statement of financial position as at June 30, 2023, the statements of profit or loss and other comprehensive income, changes in net assets attributable to unitholders and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;

- Ensuring that the Fund keeps proper accounting records;

- Selecting appropriate accounting policies and applying them in a consistent manner;

- Implementing, monitoring and evaluating the system of internal control that assures security of the Fund's assets, detection/prevention of fraud and the achievement of operational efficiencies;

- Ensuring that the system of internal control operated effectively during the reporting period;

- Producing reliable financial reporting that complies with laws and regulations, to which the Fund is subject, but not limited to the Fund's governing documentation; and

- Using reasonable and prudent judgement in the determination of estimates.

In preparing these financial statements, the Trustee utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, the Trustee chose those considered most appropriate in the circumstances.

Nothing has come to the attention of the Trustee to indicate that the Fund will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

The Trustee affirms that it has carried out its responsibilities as outlined above.

Trustee	Trustee
RBC TRUST (TRINIDAD & TOBAGO) LIMITED	RBC TRUST (TRINIDAD & TOBAGO) LIMITED
Date: October 31, 2023	Date: October 31, 2023

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Chartered Accountants
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Independent Auditors' Report

To the Trustee of Roytrin High Yield Fund Class B – Euro Dollar

Opinion

We have audited the financial statements of Roytrin High Yield Fund Class B – Euro Dollar ("the Fund"), which comprise the statement of financial position as at June 30, 2023, the statements of profit or loss and other comprehensive income, changes in net assets attributable to unitholders and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Fund in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the Republic of Trinidad and Tobago, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG

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

The Trustee, being charged with the governance of the Fund, is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund'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 ISAs 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 ISAs, 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.

- 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 Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.

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

- Conclude on the appropriateness of the Trustee'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 Fund'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 Fund 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.

KPMG

Chartered Accountants

Port of Spain
Trinidad and Tobago
October 31, 2023

ROYTRIN HIGH YIELD FUND CLASS B - EURO DOLLAR

Statement of Financial Position

June 30, 2023
(Expressed in Euro)

	Notes	2023	2022
		€	€
ASSETS			
Investment securities	4	1,117,957	1,060,809
Investment income receivable		13,769	12,309
Cash and cash equivalents	9	171,529	250,167
Total assets		1,303,255	1,323,285
LIABILITIES			
Management fees payable	9	218	500
Other payables		4,818	3,309
Total liabilities		5,036	3,809
Net assets		1,298,219	1,319,476
Net assets attributable to unitholders		1,298,219	1,319,476
Number of participating units	7	8,615	9,235
Net asset value per unit		150.693	142.877

The notes on pages 9 to 38 are an integral part of these financial statements.

On October 31, 2023, the Trustee of the Roytrin High Yield Fund Class B - Euro authorized these financial statements for issue.

Trustee

RBC TRUST
(TRINIDAD & TOBAGO) LIMITED

Trustee

RBC TRUST
(TRINIDAD & TOBAGO) LIMITED

ROYTRIN HIGH YIELD FUND CLASS B - EURO DOLLAR

Statement of Profit or Loss and Other Comprehensive Income

Year ended June 30, 2023
(Expressed in Euro)

	Notes	2023	2022
		€	€
Income			
Net income from financial instruments at FVTPL	8	96,976	608
Expenses			
Management fees	9	(19,812)	(21,172)
Other administrative expenses		(7,410)	(7,906)
Total expenses		(27,222)	(29,078)
Increase (decrease) in net assets attributable to unitholders before withholding tax expense		69,754	(28,470)
Withholding tax expense		-	(250)
Increase (decrease) in net assets attributable to unitholders		69,754	(28,720)

The notes on pages 9 to 38 are an integral part of these financial statements.

ROYTRIN HIGH YIELD FUND CLASS B - EURO DOLLAR

Statement of Changes in Net Assets Attributable to Unitholders

Year ended June 30, 2023
(Expressed in Euro)

	2023	2022
	€	€
Balance as at July 1	1,319,476	1,410,151
Increase (decrease) in net assets attributable to unitholders	69,754	(28,720)
Subscriptions	7,175	16,104
Redemptions	(98,186)	(78,059)
Balance as at June 30	1,298,219	1,319,476

The notes on pages 9 to 38 are an integral part of these financial statements.

ROYTRIN HIGH YIELD FUND CLASS B - EURO DOLLAR

Statement of Cash Flows

Year ended June 30, 2023
(Expressed in Euro)

	2023	2022
	€	€
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss) for the year	69,754	(28,720)
Adjustments for:		
Dividend income	(4,575)	(5,053)
Interest income	(40,501)	(35,693)
Withholding tax expense	-	250
Amortised premium	653	(12,404)
Net gain on disposal of investment securities	(17,902)	(3,852)
Net unrealised (gain) loss on revaluation of investment securities	(34,651)	48,974
Net loss before working capital changes	(27,222)	(36,498)
Changes in:		
- Management fees and other payables	1,228	(3,055)
Interest received	39,039	32,443
Dividends received	4,575	5,053
Withholding tax paid	-	(250)
Purchase of investments	(548,253)	(429,614)
Proceeds from disposal of investments	543,006	145,112
Net cash from (used in) operating activities	12,373	(286,809)
CASH FLOWS FROM FINANCING ACTIVITIES		
Subscriptions received	7,175	16,104
Redemptions	(98,186)	(78,059)
Net cash used in financing activities	(91,011)	(61,955)
Net decrease in cash and cash equivalents	(78,638)	(348,764)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	250,167	598,941
CASH AND CASH EQUIVALENTS AT END OF YEAR	171,529	250,177

The notes on pages 9 to 38 are an integral part of these financial statements.

1. Description of the Fund

The following brief description of the Roytrin High Yield Fund Class B – EURO Dollar (the Fund) is provided for general information purposes only. Reference should be made to the Trust Deed and rules of the Fund for more complete information.

General

The Fund is an open-ended fund registered in Trinidad and Tobago and was established by RBC Royal Bank (Trinidad and Tobago) Limited under a Trust Deed dated June 24, 2008. The principal activity of the Fund is to provide investors with the opportunity to access professional investment management across regional and global markets with the objective of obtaining a high yield over the medium to long term. The Trustee of the Fund is RBC Trust (Trinidad and Tobago) Limited and the Investment Manager is RBC Investment Management (Caribbean) Limited.

Subscriptions

Subscriptions to the Fund are made by investors and are expressed in units using the net asset value per unit determined on each business day. Units may be subscribed at a minimum initial value of €1,000 and €100 thereafter.

Distributions

The net income received by the Fund is allocated and distributed at the discretion of the Investment Manager supported by the management accounts. All distributions will, in the absence of instructions from the investor to the contrary, be reinvested in additional units of the Fund at the net asset value of such calculated on the date of distribution.

Redemptions

Units redeemed under 180 days are subject to a 5% charge, between 180 to 365 days (inclusive) a 3% charge and over 365 days no charge, at a price per unit based on their net asset value on the day that request for redemption is made. Units may be redeemed in cash up to a limit of €100,000 or one percent of the net asset value of the Fund, whichever is lower, during any ninety-day period for any one investor. Should a redemption request exceed this limit, units in excess may at the discretion of the Trustee be redeemed in specie in proportion to the underlying assets.

Taxation

Distributions paid to resident unitholders are not subject to tax. For distributions paid to non-resident unitholders, tax on interest income is withheld at the rates applicable to the country in which the unitholders reside.

2. Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

a. Basis of preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

b. Basis of measurement

These financial statements have been prepared on a historical cost basis except for Investment Securities at fair value through profit or loss (FVTPL), that have been measured at fair value.

c. Use of judgements and estimates

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Trustee to exercise their judgment in the process of applying the Fund's accounting policies. See note 2e.(iii) for fair value estimation.

d. Foreign currency transactions

(i) Functional and presentation currency

The financial statements are presented in Euro which is the Fund's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the translation at year-end exchange rates of monetary assets and liabilities are recognised in profit or loss. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

2. Significant Accounting Policies (continued)

e. Investment securities

The Fund classifies its investment securities as fair value through profit or loss (FVTPL). Management determines the classification of its investment securities at initial recognition.

Fair value through profit or loss investment securities

Fair value through profit or loss investments are those investment securities intended to be traded on a periodic basis to maximize capital gains.

(i) Recognition, initial and subsequent measurement

Fair value through profit or loss investment securities are initially recognised at cost and are subsequently remeasured at fair value based on quoted market prices where available or discounted cash flow models.

(ii) Classification

On initial recognition, the Fund classifies financial assets at amortised cost or FVTPL.

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

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are SPPI.

All other financial assets of the Fund are measured at FVTPL.

2. Significant Accounting Policies (continued)

e. Investment securities (continued)

(ii) Classification (continued)

Business model assessment

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

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Fund's management;

- the risks that affect the performance of the business model (and the financial assets held within the business model) and how those risks are managed;

- how the investment manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

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

2. Significant Accounting Policies (continued)

e. Investment securities (continued)

(ii) Classification (continued)

The Fund has determined that it has two business models.

- *Held-to-collect business model:* this includes cash and cash equivalents and interest income receivable. These financial assets are held to collect contractual cash flow.

- *Other business model:* this includes debt securities and equity investments. These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

(iii) Fair value estimation

When measuring fair values of an asset or liability, the fund uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices unadjusted in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (ie, as prices) or indirectly (ie. Derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Fund recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during if a change has occurred. There were no transfers between levels at the end of the reporting period.

All purchases and sales of investment securities are recognised on the trade date.

2. Significant Accounting Policies (continued)

e. Investment securities (continued)

(iv) Derecognition

The Fund derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Fund neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. Any interest in such transferred financial assets that is created or retained by the Fund is recognised as a separate asset or liability.

When the Fund enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards, then the transferred assets are not derecognised. Transfers of assets with retention of all or substantially all of the risks and rewards include sale and repurchase transactions.

The Fund derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

f. Cash and cash equivalents

Cash and cash equivalents are measured at amortised cost and comprise cash in hand and deposits with banks and short-term investments with original maturities of less than three months at the time of acquisition.

2. Significant Accounting Policies (continued)

g. Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

h. Net assets attributable to unitholders

The Fund classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The Fund has only class of redeemable units in issue and on liquidation of the Fund, they entitle the holders to the residual net assets, after repayment of all debts, liabilities, fees or commissions outstanding. All units rank pari passu in all respects and have identical terms and conditions. The redeemable units provide unitholders with the right to require redemption for cash at a value proportionate to the unitholder’s share in the Fund’s net assets at each redemption date, subject to certain restrictions as outlined in Note 1, and also in the event of the Fund’s liquidation.

A puttable financial instrument that includes a contractual obligation for the Fund to repurchase or redeem that instrument for cash or another financial asset is classified as equity if it meets all of the following conditions:

- It entitles the holder to a pro rata share of the Fund's net assets in the event of the Fund's liquidation;
- It is in the class of instruments that is subordinate to all other classes of instruments;
- All financial instruments are in the class of instruments that is subordinate to all other classes of instruments have identical features;
- Apart from the contractual obligation for the Fund to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any other features that would require classification as a liability; and
- The total expected cash flows attributable to the instrument over its life are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Fund over the life of the instrument.

The Fund's redeemable units meet these conditions and are classified as equity.

2. Significant Accounting Policies (continued)

i. Net income from financial instrument at FVTPL

Net income from financial instrument at FVTPL includes all realised and unrealised fair value changes in foreign exchange differences, interest and dividend income.

j. Expenses

Expenses are accounted for in profit or loss on the accrual basis.

k. Subscriptions and redemptions

Subscriptions and redemptions are recorded when the subscription and redemption is incurred.

l. Income tax

Under the current system of taxation in Trinidad and Tobago, the Fund is exempt from paying income taxes.

However, some dividend and interest income received by the Fund is subject to withholding tax imposed in certain countries of origin. Income that is subject to such tax is recognised gross of the taxes and the corresponding withholding tax is recognised as tax expense.

3. New and Revised International Financial Reporting Standards (IFRS)

a. New and amended standards adopted by the Fund

No standards or amendments have been adopted by the Fund for the first time for the financial year beginning on or after July 1, 2022.

3. New and Revised International Financial Reporting Standards (IFRS) (continued)

b. New and amended standards and interpretations that are not yet effective:

At the date of authorisation of these financial statements, certain new and amended standards and interpretations have been issued which were not effective for the current year and which the Fund has not early adopted. The Fund has assessed them with respect to its operations and has determined that the following are considered relevant:

- Amendments to IAS 37 *Provision*, C*ontingent Liabilities and Contingent Assets* is effective for annual periods beginning on or after January 1, 2023, and clarifies those costs that comprise the costs of fulfilling the contract. The amendments clarify that the 'costs of fulfilling a contract' comprise both the incremental costs – e.g. direct labour and materials; and an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract. This clarification will require entities that apply the 'incremental cost' approach to recognise bigger and potentially more provisions. At the date of initial application, the cumulative effect of applying the amendments is recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not restated.

  The Fund does not expect the amendment to have a significant impact on its 2024 financial statements.

- Amendments to IAS 1 *Presentation of Financial Statements*, will apply retrospectively for annual reporting periods beginning on or after January 1, 2024. The amendments promote consistency in application and clarify the requirements on determining if a liability is current or non-current.

  Under existing IAS 1 requirements, entities classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the requirement for a right to be unconditional has been removed and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period. An entity classifies a liability as non-current if it has a right to defer settlement for at least twelve months after the reporting period. It has now been clarified that a right to defer exists only if the entity complies with conditions specified in the loan agreement at the end of the reporting period, even if the lender does not test compliance until a later date.

3. New and Revised International Financial Reporting Standards (IFRS) (continued)

b. New and amended standards and interpretations that are not yet effective: (continued)

- Amendments to IAS 1 *Presentation of Financial Statements* (continued)

  With the amendments, convertible instruments may become current. In light of this, the amendments clarify how an entity classifies a liability that includes a counterparty conversion option, which could be recognised as either equity or a liability separately from the liability component under IAS 32. Generally, if a liability has any conversion options that involve a transfer of the entity's own equity instruments, these would affect its classification as current or non-current. It has now been clarified that a company can ignore only those conversion options that are recognised as equity when classifying liabilities as current or non-current.

  The Fund does not expect the amendment to have a significant impact on its 2024 financial statements.

- Amendments to IAS 1 *Presentation of Financial Statements* are effective for annual periods beginning on or after January 1, 2023, and may be applied earlier. The amendments help companies provide useful accounting policy disclosures.

  The key amendments to IAS 1 include:

  - requiring entities to disclose their *material* accounting policies rather than their significant accounting policies;

  - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and

  - clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

3. New and Revised International Financial Reporting Standards (IFRS) (continued)

b. New and amended standards and interpretations that are not yet effective (continued)

- Amendments to IAS 1 *Presentation of Financial Statements* (continued)

  The amendments are consistent with the refined definition of material:

  "Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements".

  The Fund is assessing the impact that the amendment will have on its 2024 financial statements.

- Amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* are effective for periods beginning on or after January 1, 2023, with early adoption permitted. The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty.

  The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that an entity develops an accounting estimate to achieve the objective set out by an accounting policy.

  Developing an accounting estimate includes both:

  - selecting a measurement technique (estimation or valuation technique) – e.g. an estimation technique used to measure a loss allowance for expected credit losses when applying IFRS 9 *Financial Instruments*; and

  - choosing the inputs to be used when applying the chosen measurement technique – e.g. the expected cash outflows for determining a provision for warranty obligations when applying IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

  The effects of changes in such inputs or measurement techniques are changes in accounting estimates.

  The Fund is assessing the impact that the amendment will have on its 2024 financial statements.

(Expressed in Euro)

	2023	2022
	€	€

4. Investment Securities at FVTPL

	2023 €	2022 €
Government debt securities	147,847	150,619
Corporate debt securities	730,610	755,169
Equities investments	239,500	155,021
Total investment securities	1,117,957	1,060,809

All investment securities are quoted.

5. Total Annual Return

Total annual return represents the increase in the net asset value per unit over prior year and the accumulated income distribution rates during the period. There was no income distributed to the unit holders for the period. All returns were reinvested (see Note 1).

	2023	2022
	%	%
Average rate of return	5.46	(1.28)

6. Management Fees

Management fees are paid to the Trustee at a rate of up to 1.5% per annum of average total assets of the Fund on a daily basis, out of which the Investment Manager will be remunerated.

(Expressed in Euro)

7. Number of Participating Units

	2023 No.	2022 No.
Units outstanding at beginning of the year	9,235	9,743
Subscriptions	50	111
Redemptions	(670)	(619)
Units outstanding at the end of the year	8,615	9,235

8. Net Income from Financial Instruments at FVTPL

	2023 €	2023 €
Equities	45,611	(1,604)
Debt securities	51,365	2,212
	96,976	608

	2023 €	2023 €
Interest income	40,501	35,693
Dividend income	4,575	5,053
Amortised premium	(653)	(12,404)
Realised gains	17,902	21,240
Unrealised gain (loss) on revaluation	34,651	(48,974)
	96,976	608

The realised gain/loss from financial instruments at FVTPL represents the difference between the carrying amount of a financial instrument at the beginning of the reporting period, or the transaction price if it was purchased in the current reporting period, and its settlement price.

The unrealised gain/loss represents the difference between the carrying amount of financial instruments at the beginning of the period, or the transaction price if it was purchased in the current reporting period, and the carrying amount at the current reporting period.

(Expressed in Euro)

9. Related Party Transactions

A party is related to the Fund if:

(a) The party is a subsidiary or an associate of the Fund;

(b) The party is, directly or indirectly, either under common control or subject to significant influence with the Fund, or has significant influence over or joint control of the Fund.

(c) The party is a close family member of a person who is part of key management personnel or who controls the Fund;

(d) The party is controlled or significantly influenced by a member of key management personnel or by a person who controls the Fund;

(e) The party is a joint venture in which the Fund is a venture partner;

(f) The party is a member of the Fund's or its Trustee's key management personnel;

(g) The party is a post-employment benefit plan for Fund's employees.

(h) The party, or any member of a group of which it is a part, provides key management personnel services to the Fund.

The related party balances and transactions are as follows:

	2023 €	2022 €
Other Related Parties:		
Cash and cash equivalents	171,529	250,167
Net assets attributable to unitholders	376,374	356,886
Investment Manager:		
Management fees charged	19,812	21,172
Management fees payable	218	500

There were no subscriptions and redemption transactions entered to with related parties during the year.

All transactions and balances with related parties are based on agreed terms within the prospectus and normal banking relationships.

10. Financial Risk Management

Financial Instruments

Financial assets include investment securities, investment income receivable and cash and cash equivalents.

Financial liabilities include management fees payable and other payables.

a. Risk management

The Fund's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risk. Taking risk is core to the financial business and operational risks are an inevitable consequence of being in business. The Trustee's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects in the Fund's financial performance by focusing on the unpredictability of financial markets.

The Trustee's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls and to monitor the risks and adherence to limits by means of reliable and up to date information systems.

The most important types of risks to the Fund are liquidity risk, market risk, and credit risk. Market risks include currency risk, interest rate risk and other price risk.

While the Trustee is ultimately responsible for identifying and controlling risks, there are separate bodies responsible for managing and monitoring risks as follows:

Board of Directors

The Board of Directors of the Trustee has overall responsibility and oversight for corporate governance and specifically, approval of the investment policy and limits of authority. The Board of Directors has delegated authority to the Investment Policy Committee and the Investment Strategy Committee as appropriate.

Investment Policy Committee

The Investment Policy Committee is the body responsible for approving all Statements of Investment Policy (SIP) and reviewing compliance with same. The Investment Policy Committee meets on a quarterly basis to review and ratify any changes to the SIP.

10. Financial Risk Management (continued)

a. Risk management (continued)

Investment Strategy Committee

The Investment Strategy Committee is engaged in providing guidance to the Investment Manager relative to economic and capital markets. In this regard, input would include economic data, foreign currency perspectives, local, regional and international equity and fixed income information. From this body of information, the Committee shall distil its views with respect to an assessment of global fiscal and monetary conditions, projected economic growth, inflation, direction of interest rates, major currencies and stock prices.

Excessive Risk Concentration

In order to avoid an excessive concentration of risk, the Fund's investment policy and risk management procedures include specific guidelines to ensure the maintenance of a diversified portfolio.

The Investment Manager is mandated within prescribed limits to manage excessive concentration risk when it arises.

As at the reporting date, the Fund’s debt securities were concentrated as follows:

	2023	**2022**
	%	**%**
Government	13	17
Corporate	87	83
	100	100

(Expressed in Euro)

10. Financial Risk Management (continued)

b. Classification of financial assets and financial liabilities

The table below sets out the classifications of the carrying amounts of the Fund's financial assets and financial liabilities into the categories of financial instruments.

2023	Mandatorily at FVTPL	Financial Assets at Amortised Cost	Financial Liabilities at Amortised Cost	Total
	€	€	€	€
Cash and cash equivalents	-	171,529	-	171,529
Investment securities - FVTPL	1,117,957	-	-	1,117,957
Investment income receivable	-	13,769	-	13,769
	1,117,957	185,299	-	1,303,255
Management fees Payable	-	-	218	218
Other payables	-	-	4,819	4,819
	-	-	5,037	5,037

2022	Mandatorily at FVTPL	Financial Assets at Amortised Cost	Financial Liabilities at Amortised Cost	Total
	€	€	€	€
Cash and cash equivalents	-	250,167	-	250,167
Investment securities - FVTPL	1,060,809	-	-	1,060,809
Investment income receivable	-	12,309	-	12,309
	1,060,809	262,476	-	1,323,285
Management fees Payable	-	-	500	500
Other payables	-	-	3,309	3,309
	-	-	3,809	3,809

(Expressed in Euro)

10. Financial Risk Management (continued)

c. Liquidity risk

The Fund is exposed to daily cash redemptions of units. At least 5% of the investment portfolio is usually held in short-term instruments that can be quickly converted to cash. The Fund also has the ability to borrow in the short term to ensure settlement, however no such borrowing occurred during the year. The Trust Deed also permits the Fund to settle in specie in proportion to the underlying assets, if the redemptions of a unitholder are in excess of 1% of the net asset value of the Fund or €100,000.

In accordance with the Fund's policy, the Investment Manager monitors the Fund's liquidity position on a daily basis with the Investment Policy Committee performing a quarterly review.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the undiscounted cash flows for the remaining period at the reporting date to the contractual maturity date.

	2023				
		Contractual Cash Flows			
	Carrying Value	**Total**	**Up to 1 Year**	**1 – 5 Years**	**Over 5 Year**
	€	**€**	**€**	**€**	**€**
Financial liabilities					
Management fees payable	218	218	218	-	-
Other payables	4,819	4,819	4,819	-	-
Total financial liabilities	5,037	5,037	5,037	-	-

	2022				
		Contractual Cash Flows			
	Carrying Value	**Total**	**Up to 1 Year**	**1 – 5 Years**	**Over 5 Year**
	€	**€**	**€**	**€**	**€**
Financial liabilities					
Management fees payable	500	500	500	-	-
Other payables	3,309	3,309	3,309	-	-
Total financial liabilities	3,809	3,809	3,809	-	-

10. Financial Risk Management (continued)

d. Market price risk

Market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instruments or issuer, or factors affecting all similar financial instruments traded in the market. The Fund is exposed to equity securities price risk.

The Investment Manager moderates this risk through a careful selection of securities and other financial instruments within specified limits. The Fund's overall market positions are reviewed on a quarterly basis by the Investment Policy Committee and Board of Directors.

As at June 30, 2023, had equity securities prices increased/decreased by 5% with all variables held constant, net assets attributable to unitholders would have increased/decreased by €11,975 (2023: €7,751).

e. Interest rate risk

Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates.

The Fund takes on exposure to the effects of fluctuations in prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. The Investment Policy sets limits on the level of mismatch of interest rate repricing that may be undertaken, which is monitored on a quarterly basis by the Investment Policy Committee and Board of Directors.

(Expressed in Euro)

10. Financial Risk Management (continued)

e. Interest rate risk (continued)

The table below summarises the Fund's exposure to interest rate risks. It includes the Fund's financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

	2023				
	Up to 1 Year	**1 – 5 Years**	**Over 5 Year**	**Non Interest Bearing**	**Total**
	€	**€**	**€**	**€**	**€**
Assets					
Investment securities - FVTPL	58,271	319,663	500,522	239,500	1,117,957
Investment income receivable	-	-	-	13,769	13,769
Cash and cash equivalents	171,529	-	-	-	171,529
Total financial assets	229,800	319,663	500,522	253,269	1,303,255
Liabilities					
Management fees payable	-	-	-	218	218
Other payables	-	-	-	4,819	4,819
Total financial liabilities	-	-	-	5,037	5,037

(Expressed in Euro)

10. Financial Risk Management (continued)

e. Interest rate risk (continued)

	2022				
	Up to 1 Year	**1 – 5 Years**	**Over 5 Year**	**Non Interest Bearing**	**Total**
	€	**€**	**€**	**€**	**€**
Assets					
Investment securities - FVTPL	-	847,811	212,998	-	1,060,809
Investment income receivable	-	-	-	12,309	12,309
Cash and cash equivalents	250,167	-	-	-	250,167
Total financial assets	250,167	847,811	212,998	12,309	1,323,285
Liabilities					
Management fees payable	-	-	-	500	500
Other payables	-	-	-	3,309	3,309
Total financial liabilities	-	-	-	3,809	3,809

Sensitivity of possible movements in interest rates

As at June 30, 2023, had the interest rates increased or decreased by 100 basis points with all other variables held constant, the increase or decrease in net assets attributable to unitholders would amount to €40,946 (2022: €21,667), arising substantially from the increase/decrease in market values of debt fixed rate securities.

10. Financial Risk Management (continued)

f. Currency risk

Currency risk is the risk that the value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Fund holds assets denominated in currencies other than the euro, the functional currency. The Fund is therefore exposed to currency risk as the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates. The Fund's policy is not to enter into any currency hedging transactions but to manage the risk by limiting the level of non-euro investments. The table below summarises the Fund's exposure to currency risks. The abbreviations are as follows: COP (Colombian peso), USD (United States dollar), GBP (Great British Pound), and MXN (Mexican peso). These currencies are reported in EURO for both the current and comparative years.

	2023					
	EURO	**GBP**	**MXN**	**COP**	**USD**	**Total**
	€	**€**	**€**	**€**	**€**	**€**
Assets						
Investment securities - FVTPL	846,004	58,271	78,474	-	135,208	1,117,957
Investment income receivable	9,662	1,276	1,567	-	1,264	13,769
Cash and cash equivalents	112,262	-	-	-	59,267	171,529
Total financial assets	967,928	59,547	80,041	-	195,739	1,303,255
Liabilities						
Management fees payable	218	-	-	-	-	218
Other payables	4,819	-	-	-	-	4,819
Total financial liabilities	5,037	-	-	-	-	5,037

(Expressed in Euro)

10. Financial Risk Management (continued)

f. Currency risk (continued)

	2022					
	EURO	**GBP**	**MXN**	**COP**	**USD**	**Total**
	€	**€**	**€**	**€**	**€**	**€**
Assets						
Investment securities - FVTPL	382,714	60,834	67,712	-	549,549	1,060,809
Investment income receivable	4,001	1,280	1,375	-	5,653	12,309
Cash and cash equivalents	18,635	-	-	-	231,532	250,167
Total financial assets	405,350	62,114	69,087	-	786,734	1,323,285
Liabilities						
Management fees payable	500	-	-	-	-	500
Other payables	3,309	-	-	-	-	3,309
Total financial liabilities	3,809	-	-	-	-	3,809

Sensitivity of possible movement in select currencies

Stress testing is used as a market risk measurement technique which provides an indication of the potential size of losses that could arise in extreme conditions. The stress tests conducted by the Fund include risk factor testing, where stress movements are applied to each risk category. The US dollar was the major foreign currency to which the Fund had significant exposure. An analysis was conducted to demonstrate the sensitivity to reasonable possible movements of the US dollar against the Euro.

10. Financial Risk Management (continued)

f. Currency risk (continued)

Sensitivity of possible movement in select currencies (continued)

As at June 30, 2023, had the exchange rate between the Euro and other currencies increased or decreased by 20 basis points with all other variables held constant, the increase or decrease in net assets attributable to unitholders would amount to €33,533 (2022: €70,704).

g. Credit risk

The Fund takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit exposures arise principally from investment activities that bring debt securities and other bills into the Fund's asset portfolio.

Credit risk is mitigated to some extent by not limiting the Fund's total exposure to a single currency. The Fund also reduces this risk by prudent credit analysis of issuers to restrict questionable credits in the Fund. The Fund also manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Trustee has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating and are validated, where appropriate, by comparisons with externally available data. The rating scale, which is shown below, reflects the range of default probabilities defined for each rating class. Risk ratings are subject to regular revision. The credit quality review process allows the Trustee to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

(Expressed in Euro)

10. Financial Risk Management (continued)

g. Credit risk (continued)

(i) Internal ratings scale and mapping of external ratings.

Internal Rating	Description of Grade	External rating Standard & Poor's Equivalent
1	Excellent	AAA, AA, A
2	Very good	BBB
3	Good	BB
4	Special mention	B, CCC
5	Unacceptable	CC, C

The rating of the major rating agency shown in the table above are mapped to the internal rating classes based on the long-term average default rates of each external grade. The Fund uses the external ratings where available to benchmark the internal credit risk assessment.

Observed defaults per rating category vary year on year, especially over an economic cycle. Where a credit is not assigned a risk rating under the internal risk rating system and cannot be benchmarked against an international rating, these have been classified as unrated.

(ii) Maximum exposure to credit risk

The Fund's exposure to credit risk arises in respect of the following financial instruments.

The table below represents a worst-case scenario of credit risk exposure to the Fund at June 30, 2023 and 2022.

	Maximum Exposure 2023	2022
	€	€
Investment securities		
- Government debt securities	147,847	150,619
- Corporate debt securities	730,610	755,169
	878,457	905,788
Investment income receivable		
- Government debt securities	3,700	3,700
- Corporate debt securities	10,069	8,609
	13,769	12,309
Cash and cash equivalents	171,529	250,167
	1,063,755	1,168,264

(Expressed in Euro)

10. Financial Risk Management (continued)

g. Credit risk (continued)

(iii) Investment securities and interest income receivable

Investment securities and investment income receivable are summarised as follows:

	2023		2022	
	Investment Securities	Interest Income Receivable	Investment Securities	Income Receivable
	€	€	€	€
Neither past due nor impaired	1,117,957	13,769	1,060,809	12,309

(iv) Credit quality

The credit quality of the investment securities and interest income receivable that are neither past due nor impaired can be assessed by reference to the internal rating system adopted by the Fund. There were no impaired securities as at the year ended June 30, 2023.

	2023			
	Government Debt Securities	Corporate Debt Securities	Equities	Total
	€	€	€	€
1. Excellent (AAA, AA, A)	51,621	71,573	-	123,194
2. Very good (BBB)	99,926	574,110	-	674,036
3. Good (BB)	-	49,298	-	49,298
4. Special mention (B, CCC)	-	44,459	-	44,459
5. Unacceptable (CC, C)	-	-	-	-
6. Unrated	-	-	240,739	240,739
Total	151,547	739,440	240,739	1,131,726

(Expressed in Euro)

10. Financial Risk Management (continued)

g. Credit risk (continued)

(iv) Credit quality (continued)

	2022			
	Government Debt Securities	**Corporate Debt Securities**	**Equities**	**Total**
	€	**€**	**€**	**€**
1. Excellent (AAA, AA, A)	52,975	47,699	-	100,674
2. Very good (BBB)	101,345	568,860	-	670,205
3. Good (BB)	-	147,218	-	147,218
4. Special mention (B, CCC)	-	-	-	-
5. Unacceptable (CC, C)	-	-	-	-
6. Unrated	-	-	155,021	155,021
Total	154,320	763,777	155,021	1,073,118

11. Operational Risk Management

Operational risk is inherent within all business activities. It is the risk of direct or indirect loss arising from lapses in the Trustee's processes, internal controls, personnel, technology and other external factors. Examples include natural disasters, errors and omissions by personnel, and intentional behaviours such as fraud. The Trustee's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to its reputation with overall cost effectiveness and innovation. Operational risk is managed by developing standards and guidelines in the following areas:-

- Appropriate segregation of duties and access
- Reconciling and monitoring of transactions
- Documentation of controls and procedures
- Training and development of staff
- Reporting of operational losses and proposed remedial actions
- Development of contingency plans
- Assessments of the processes
- Business continuity planning

The operational risk framework is supported by a programme of periodic review undertaken by Internal Audit. The results of Internal Audit reviews are discussed with management and summaries are submitted to the Audit Committee on February 10, 2022.

12. Fair Value of Financial Instruments

(a) Valuation framework

The Fund has an established control framework with respect to the measurement of fair values. This framework includes oversight by the Investment Management Committee. The main valuation methodology used is the Discounted Cash Flow (DCF) method. The DCF method requires the determination of the following three parameters:

1. projection period;
2. cash flows over the projection period plus terminal value;
3. the discount rate(s).

(b) Valuation models

The Fund's financial assets are measured at fair value at the end of each reporting period. The Fund measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from quoted prices).
- Level 3 fair value measurements are those from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(Expressed in Euro)

12. Fair Value of Financial Instruments (continued)

(c) Fair value of financial assets and liabilities that are not measured at fair value

Management considers that the carrying amounts of the following financial assets and financial liabilities recognised in these financial statements approximate to their fair values due to short maturities on these instruments.

	2023		2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	€	€	€	€
Financial assets				
Investment income receivable	13,769	13,769	12,309	12,309
Cash and cash equivalents	171,529	171,529	250,167	250,167
	185,298	185,298	262,476	262,476
Financial liabilities				
Management fees payable	218	218	500	500
Other payables	4,819	4,819	3,309	3,309
	5,037	5,037	3,809	3,809

The financial instruments not measured at fair value include cash and cash equivalents, investment income receivable, management fees payable and other payables. These are short-term financial assets and financial liabilities whose carrying amounts approximate fair value because of their short-term nature and the high credit quality of counterparties and are determined to be level 2 in the fair value hierarchy.

(Expressed in Euro)

12. Fair Value of Financial Instruments (continued)

(d) Fair value of financial assets that are measured at fair value on a recurring basis

The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Financial Assets	Fair Value as at 2023	Fair Value as at 2022	Fair Value Hierarchy	Valuation Technique (S) and Key Inputs (S)
	€	€		
Investment securities				
	1,117,957	1,060,809	Level 1	Quoted market prices.

13. Events after the Reporting Date

The Trustees have evaluated events occurring after June 30, 2023, in order to assess and determine the need for potential recognition or disclosure in these financial statements. Such events were evaluated through October 31, 2023, the date these financial statements were available to be issued. Based upon this evaluation, the Trustees have determined that there are no subsequent events that requires adjustment to or disclosure in these financial statements.