alphabeta access products ltd

Annual report and audited financial statements for the year ended 31 December 2021

Contents

Directors' Report

The Directors present their Report, together with the audited financial statements of alphabeta access products ltd (the "Company"), for the year ended 31 December 2021.

Incorporation and principal activities

The Company was incorporated as a public company on 29 May 2012. The principal activity of the Company is to issue secured and unsecured Certificates and notes under the terms of the following programmes:

- US$ 50,000,000,000 Secured and Unsecured Certificate Programme

- US$ 30,000,000,000 Secured and Unsecured Note Programme

- Programme for the Issuance of Exchange Traded Products operating in Sweden

- Programme for the issuance of Exchange Traded Products operating in Germany

The Certificates and Notes are issued in series and provide holders with indirect access to various leveraged products holding investments in a range of trading Programmes. There were four new series of certificates ("Series 23", "Series 26", "ETP Germany" and "Repack Series 2") issued during the year under the various programmes detailed above.

Results and dividends

The results for the year are set out in the Statement of Comprehensive Income on page 9. Dividends for the year of US$3,000 were declared in respect of the year ended 31 December 2021 (2020 : US$6,000).

Directors

The following persons were directors of the Company during the year and up to the date of this report:

S Conroy
T Ridgway

Statement of directors' responsibilities

The Directors are responsible for preparing financial statements in accordance with generally accepted accounting principles.

Companies Law requires the Directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the Company's surplus or deficit for that period. In preparing these financial statements the Directors should:

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

- Select suitable accounting policies and then apply them consistently;
- Make judgements that are reasonable and prudent; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the Company and to enable them to ensure that the financial statements comply with Jersey Company Law. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud error and non compliance with law and regulations.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors confirm that so far as they are aware, there is no relevant audit information, of which the Company’s auditor is unaware and they have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company’s auditor is aware of this information.

Directors' Report (continued)

Going Concern

The Directors have prepared the financial statements of the Company on a going concern basis. The expenses of the Company, other than bank charges, are paid by Morgan Stanley & Co International Plc ("Morgan Stanley") and income is received from Morgan Stanley to cover bank charges. The Directors have no reason to believe that Morgan Stanley will not honour this agreement for a period of 12 months from the signing of these financial statements and note that this agreement has been in place for a number of years and Morgan Stanley have continued to meet their obligations under it. Also, the Directors have no reason to believe that Morgan Stanley will not continue as a going concern amidst the current uncertain market conditions derived from the outbreak of the COVID-19 Virus. The unsecured Certificates and notes are limited recourse as the principal repayment of each series is linked to the value for the financial assets. The Directors have therefore prepared the financial statements on a going concern basis.

Company Secretary

The Secretary of the Company who has been Secretary for the year under review and up to the date for this report is Crestbridge Corporate Services Limited.

Independent auditors

Grant Thornton Limited were appointed as the Independent Auditor on 6 December 2019 and have expressed their willingness to continue in office.

Approved by the Board of Directors on 30 March 2022.

Registered Office
47 Esplanade
St Helier
Jersey
JE1 0BD

Independent auditor's report
To the members of Alphabeta Access Products Ltd

Opinion
We have audited the financial statements of Alphabeta Access Products Ltd (the 'Company') for the year ended 31 December 2021 which comprise the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board ("IASB").

In our opinion, the financial statements:
- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of the Company's loss for the year then ended;
- are in accordance with IFRSs as issued by the IASB; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

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

Conclusions relating to going concern
We are responsible for concluding on the appropriateness of the directors' 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 report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included our consideration of the following;

- The disclosure in Note 12 of the financial statements (Events After the Reporting Period), details that the Company has continued to issue new series and tranches of notes and certificates in line with its different programmes.
- The Company's expenses except for bank charges are funded by a third party (Morgan Stanley & Co International Plc) the arranging bank.
- The notes and certificates issued are limited recourse asset backed securities. The Company's liabilities are highly liquid and their repayment profile have been matched to the liquidity profile of the investments which are publicly traded.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Company's business model and we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

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

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

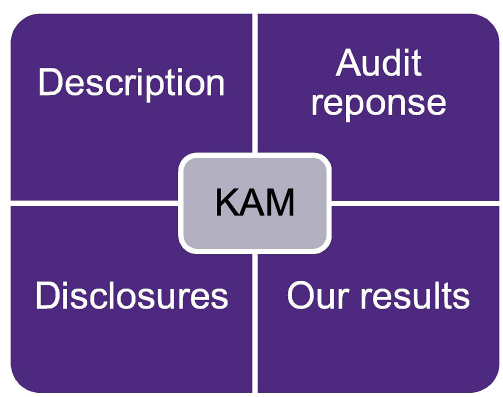
The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Our approach to the audit

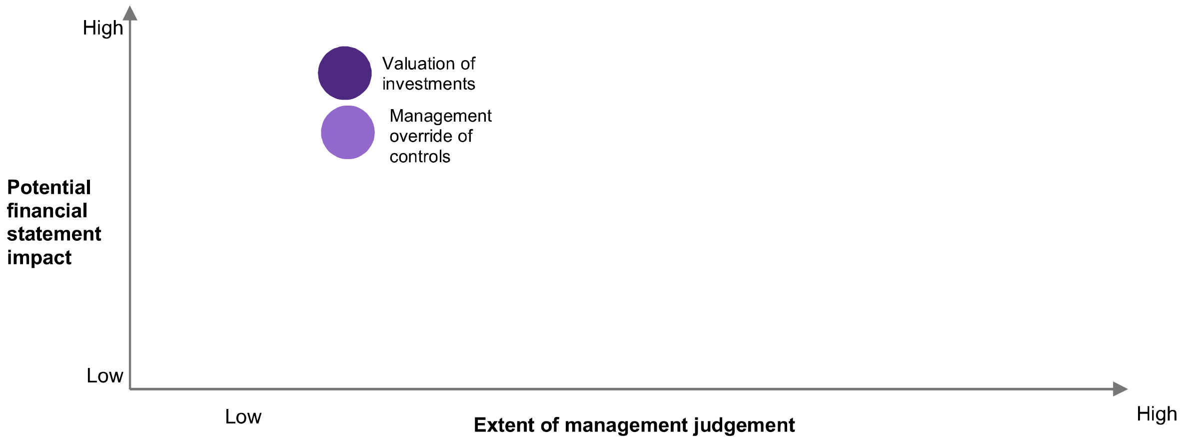
	Overview of our audit approach
GrantThornton	Overall materiality: $16,770,000**,** which represents 2% of the Company's total assets.
	Key audit matters were identified as: • Valuation of investments. This key audit matter is the same as the one communicated in the prior period.
	Scoping: Financial assets at fair value through profit or loss has been scoped as a Significant Class of Transaction, Account Balance and Disclosure with an elevated inherent risk on the Valuation and Allocation assertion**.**

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



In the graph below, we have presented the key audit matters, significant risks and other risks relevant to the audit.



	Key audit matter		Significant risk

Key Audit Matter	How our scope addressed the matter
1. Valuation of Investments We identified the valuation of investments as one of the most significant assessed risks of material misstatement due to error. Investments comprise of positions in leveraged products that hold investments in a range of trading programmes. The fair value of investments (financial assets at fair value through profit or loss) is based on the price of the underlying leveraged products. The fair value may be misstated due to inaccuracies in the underlying products valuations or incorrect calculation of the fair value as at year end. Therefore, valuation of the investments is considered a key audit matter.	In responding to the key audit matter, we performed the following audit procedures: o We reviewed the Company's accounting policies to confirm their compliance with IFRS requirements; o We assessed the design and implementation of controls relating purchases, disposals and valuation of investments; o We traced the subscriptions and redemptions during the year to the confirmations of subscriptions and redemptions to confirm their occurrence and accuracy; o We reconciled units held under each series at 31 December 2021 to confirmations received directly from independent custodians; and o We recalculated the fair value as at 31 December 2021 using the closing prices and units confirmed by independent custodians.
Relevant disclosures in the Annual Report and Accounts 2021 • Financial statements: Note 4, Financial Assets at Fair Value through Profit or Loss	Based on the results of our audit procedures, we are satisfied that the investments have been appropriately valued.

Our application of materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements and in forming the opinion in the auditor's report.

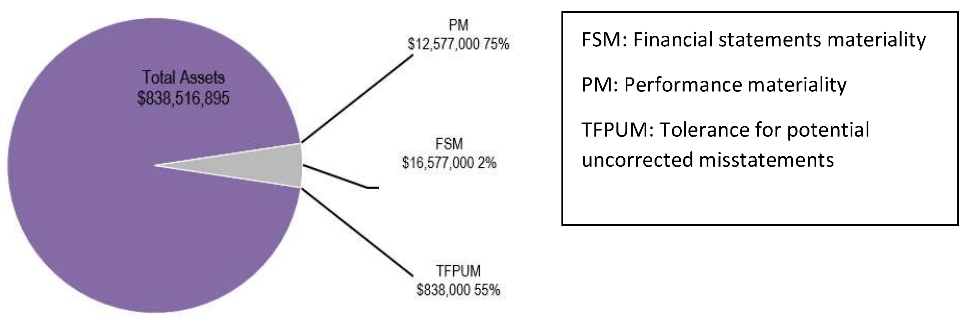
Materiality was determined as follows:

Materiality measure	**Company**
Materiality for financial statements as a whole	We define materiality as the magnitude of misstatement in the financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of these financial statements. We use materiality in determining the nature, timing and extent of our audit work.
Materiality threshold	$16,770,000 which is 2% of total assets.
Significant judgements made by auditor in determining the materiality	In determining materiality, we made the following significant judgements: This benchmark is considered the most appropriate because certificate holders consider total assets value to be the main key performance indicator. We used a maximum range of 2% as the structure of the Fund is simple, despite the certificates being listed. Materiality for the current year is higher than the level that we determined for the year ended 31 December 2020 to reflect the increase in total assets mainly as a result of the new series that were issued in during the current year.
Performance materiality used to drive the extent of our testing	We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.
Performance materiality threshold	$12,577,000 which is 75% of financial statement materiality.
Significant judgements made by auditor in determining the performance materiality	In determining materiality, we made the following significant judgements: We used a maximum range of 75% as the structure of the Fund is simple, despite the certificates being listed.
Specific materiality	We determine specific materiality for one or more particular classes of transactions, account balances or disclosures for which misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality measure	Company
Specific materiality	No areas of specific materiality were determined.
Communication of misstatements to the audit committee	We determine a threshold for reporting unadjusted differences to the audit committee.
Threshold for communication	$838,000 and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality interacts with our overall materiality and the tolerance for potential uncorrected misstatements.

Overall materiality



An overview of the scope of our audit

We performed a risk-based audit that requires an understanding of the Company's business and in particular matters related to:

- Obtaining an understanding of the Company and its environment, including the controls, and assessed the risks of material misstatement;
- Performing substantive procedures around the areas of signification risks and key audit matters and areas above our assessed performance materiality.
- Reviewing the financial statements to ensure that the disclosures made are in line with the requirements of IFRS as issued by the IASB.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report set out on pages 2-3 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which The Companies the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company; or
- the financial statements are not in agreement with the accounting records; or
- we have not obtained all the information and explanations, which to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements which give a true and fair view in accordance with IFRSs, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

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

- We obtained an understanding of the legal and regulatory frameworks applicable to the company and the industry in which it operates. We determined that the following laws and regulations were most significant: Companies (Jersey) Law 1991 and the requirements of the Euronext Dublin on which some of the certificates or notes issued are listed.

- We obtained our understanding of the laws and regulations governing the Company through inquiry with management and confirmed that the responsibility of ensuring compliance with the laws and regulations lies with the directors.
- We designed procedures to check whether the Company complied with laws and regulations and noted no instances of non-compliance were noted.
- The engagement partner confirms that the engagement team collectively had the appropriate competence and capabilities to identify non-compliance with laws and regulations.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to:
  - journal entries as there is a presumed risk of management override in controls present in all entities
  - potential management bias in determining accounting estimates, especially in relation to the calculation of the fair value of the financial assets at fair value through profit or loss

Our audit procedures involved:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud, including those controls related to the valuation of investments;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Evaluating the valuation policy and methodology adopted by management in comparison to IFRS and industry practice;
- Reconciling and verifying the number of equity shares held by the Company as at year-end to independently received custodian confirmations;
- Recalculating the fair value of the investments through obtaining independent pricing information from custodians as at year-end;
- Reviewing the assumptions and judgments made by management in its significant accounting estimates, i.e. the valuation of investments;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;

No exceptions were noted.

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Section 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Alexander Ross Langley

For and on behalf of Grant Thornton Limited
Chartered Accountants
St Helier, Jersey

Date: 31 March 2022

Statement of Financial Position

As at 31 December 2021

	Notes	31 December 2021 US$	31 December 2020 US$
ASSETS			
Current assets			
Financial assets at fair value through profit or loss	4	838,456,254	465,656,614
Cash and cash equivalents		60,641	66,996
Total Assets		838,516,895	465,723,610
LIABILITIES			
Current liabilities			
Financial liabilities at fair value through profit or loss	6	838,456,254	465,656,614
Other payables	7	44,756	-
Total Liabilities		838,501,010	465,656,614
EQUITY			
Capital and Reserves Attributable to the Equity Holders of the Company			
Share capital	5	3	3
Retained earnings		15,882	66,993
Total Equity		15,885	66,996
Total Liabilities and Equity		**838,516,895**	**465,723,610**

These audited financial statements on pages 12 to 30 were approved and authorised for issue by the Board of Directors on 30 March 2022 and were signed on its behalf by:

Director

Statement of Comprehensive Income

For the year ended 31 December 2021

	Notes	Year ended 31 December 2021 US$	31 December 2020 US$
Income			
Other (loss)/ income		(44,756)	50,756
Fair value (loss)/gain on financial assets at fair value through profit or loss	4	(24,463,095)	29,962,220
Foreign exchange (loss)/gain		(1,076)	1,307
		(24,508,927)	30,014,283
Expenses			
Bank charges		2,279	2,682
Fair value (gain)/loss on financial liabilities at fair value through profit or loss	6	(24,463,095)	29,962,220
		(24,460,816)	29,964,902
(Loss)/profit for the year		(48,111)	49,381
Total comprehensive (loss)/income attributable to:			
Equity holders of the company		(48,111)	49,381

All results in the current year and prior year result from continuing operations.

Statement of Changes in Equity

For the year ended 31 December 2021

	Share Capital US$	Accumulated Reserves US$	Total US$
Balance at 1 January 2020	3	23,612	23,616
Profit for the year	-	49,381	49,380
Dividends	-	(6,000)	(6,000)
Balance at 31 December 2020	3	66,993	66,996

	Share Capital US$	Accumulated Reserves US$	Total US$
Balance at 1 January 2021	3	66,993	66,996
Loss for the year	-	(48,111)	(48,111)
Dividends	-	(3,000)	(3,000)
Balance at 31 December 2021	3	15,882	15,885

The notes on pages 16 to 30 are an integral part of these audited financial statements

Statement of Cash Flows

For the year ended 31 December 2021

		Year ended	
		31 December 2021	31 December 2020
Cash flows from operating activities	Notes	**US$**	**US$**
Net (loss)/income for the year		(48,111)	49,381
Distribution paid		(3,000)	(6,000)
Increase in other payables		44,756	95
Fair value movement on financial liabilities at fair value through profit or loss	6	(26,336,428)	(29,962,220)
Fair value movement on financial assets at fair value through profit or loss	4	26,336,428	29,962,220
Net cash (used in)/generated from operating activities		(6,355)	43,476
Cash flows from investing activities			
Purchase of investments	4	(517,613,858)	(483,314,304)
Proceeds from sale of investments	4	118,477,790	378,304,362
Net cash used in investing activities		(399,136,068)	(105,009,942)
Cash flows from financing activities			
Issue of certificates	6	517,613,858	483,314,304
Redemption of certificates	6	(118,477,790)	(378,304,362)
Net cash generated from financing activities		399,136,068	105,009,942
Net (decrease)/increase in cash and cash equivalents		(6,355)	43,476
Cash and cash equivalents at the beginning of the year		66,996	23,520
Cash and cash equivalents at end of year		**60,641**	**66,996**

The notes on pages 16 to 30 are an integral part of these audited financial statements

Notes to the Financial Statements

For the year ended 31 December 2021

1 General Information

The Company was incorporated as a public company on 29 May 2012. The principal activity of the Company is to issue secured and unsecured Notes and Certificates under the terms of the following programmes:

- US$ 50,000,000,000 Secured and Unsecured Certificate Programme
- US$ 30,000,000,000 Secured and Unsecured Note Programme
- Programme for the Issuance of Exchange Traded Products operating in Sweden
- Programme for the Issuance of Exchange Traded Products operating in Germany

Certificates linked to following investments issued under the US$ 50,000,000,000 Secured and Unsecured Certificate Programme are detailed below:

Series Name:	**Principal Country of Operation**	
Series 6 - Lynx (Cayman) Fund Limited	Cayman Islands	
Series 9 - IPM (Cayman) Fund Limited	Cayman Islands	(retired during 2021)
Series 16 - Investment basket	Ireland	
Series 17 - MSP (Europe) I Limited	Cayman Islands	(retired during 2021)
Series 19 - Two Trees Certificate (Cayman) Fund Limited	Cayman Islands	
Series 20 - RAM (Cayman) Systematic DIVALPHA Limited	Cayman Islands	
Series 23 - Investment basket	Ireland	(launched during 2021)
Series 24 - Investment basket	Ireland	
Series 25 - Bayforest (Cayman) Fund Limited	Cayman Islands	
Series 26 - AQR Commodity 1 (Cayman) Limited	Cayman Islands	(created during 2021)

Certificates linked to the following investments issued under the US$ 30,000,000,000 Secured and Unsecured Note Programme are detailed below:

Repack Series 1 - Issue of USD 15,000,000 Secured Notes linked to physical gold backed exchange traded certificates	Gibraltar	(retired during 2021)
Repack Series 2 - Issue of USD 2,400,000 Fund Linked Note 2029 with limited recourse to AT&T Inc 4.35% Bond 2029 and MS BV Warrant	Gibraltar	(created during 2021)

There are two exchange traded products programmes in operation which are detailed below:

Programme for the Issuance of Exchange Traded Products	Sweden	
Programme for the Issuance of Exchange Traded Products	Germany	(created during 2021)

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

2 Principal Accounting Policies

The following accounting policies have been applied consistently throughout the year presented in dealing with items which are considered to be material in relation to the Company's audited financial statements (the "financial statements").

Basis of preparation

These audited financial statements have been prepared on an historical cost basis, except for financial assets and liabilities designated at Fair Value Through Profit or Loss ('FVTPL') which have all been measured at fair value. The financial statements are presented in United States Dollars ('US$').

Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standard Board ("IASB").

The Company uses valuations received from the third party administrators of the underlying investments for daily Net Asset Valuation calculations. Financial assets at fair value through profit or loss are independently valued on an individual basis depending on the nature of the investment. Fair value estimates are made at a specific point in time, based on market conditions and other available information. The certificate investments fall under Level 1 and 2 of the fair value hierarchy. The table in note 4 shows a reconciliation of opening balances to the year end balances. The Directors consider there to be no other key sources of estimation uncertainty at the year end date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

Going concern

The Directors have prepared the financial statements of the Company on a going concern basis. The expenses of the Company, other than bank charges, are paid by Morgan Stanley & Co International Plc ("Morgan Stanley") and income is received from Morgan Stanley to cover bank charges. The Directors have no reason to believe that Morgan Stanley will not honour this agreement for a period of 12 months from the signing of this report and note that this agreement has been in place for a number of years and Morgan Stanley have continued to meet their obligations under it. Also, the Directors have no reason to believe that Morgan Stanley will not continue as a going concern amidst the current uncertain market conditions derived from the outbreak of the COVID-19 Virus. The unsecured Certificates are limited recourse as the principal repayment of each series is linked to the value for the financial assets. The Directors have therefore prepared the financial statements on a going concern basis.

New accounting standards and interpretations

(i) Standards and amendments to existing standards not yet effective for reporting periods beginning on 1 January 2021:

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2021 that have a material effect on the financial statements of the Company.

(ii) New standards, amendments and interpretations not yet effective for reporting periods beginning on 1 January 2022

A number of new standards and amendments to standards and interpretations are not yet effective for reporting periods beginning after 1 January 2022, and have not been applied in preparing these financial statements. The Directors have assessed that these standards will not have material effect on the financial statements of the Company.

	Effective Date
Classification of Liabilities as Current or Non-current – Amendments to IAS 1	1 January 2023
Improvements to International Financial Reporting Standards	1 January 2022
Reference to the Conceptual Framework - Amendments to IFRS 3	1 January 2022
IFRS 9 Financial Instruments - Fees in the "10 per cent" test for derecognition of financial liabilities	1 January 2022
Definition of Accounting Estimates - Amendments to IAS 8	1 January 2023
Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2	1 January 2023

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

2 Principal Accounting Policies (continued)

Financial instruments

2.1 Classification

The Company classifies its financial assets and financial liabilities in the following measurement categories:

· those to be measured subsequently at fair value; and

· those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial instruments and the contractual terms of the cash flows.

Assets measured at fair value are Financial Assets at FVTPL and Financial Assets at Fair Value through Other Comprehensive Income ("FVOCI"), gains and losses of which will be recorded in profit or loss or other comprehensive income ("OCI") respectively. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI. No such irrevocable election has been made.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

2.2 Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at FVTPL which are measured initially at fair value.

2.3 Subsequent measurement of financial assets and liabilities

Financial assets

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the Statement of Comprehensive Income.
- FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Financial liabilities

Financial liabilities are classified and subsequently measured at amortised cost, except for those that are derivative financial instruments or financial liabilities that are held for trading i.e. the Certificates and notes, which are classified as FVTPL. The FVTPL option can also be irrevocably elected at initial recognition of financial liabilities, if it eliminates or significantly reduces an accounting mismatch, the financial liability is part of a portfolio that is managed and evaluated on a fair value basis, in accordance with a documented risk management or investment strategy or there is an embedded derivative in the financial or non-financial host contract and the derivative is not closely related to the host contract.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

2 Principal Accounting Policies (continued)

Financial instruments (continued)

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of FVTPL following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established. No such irrevocable election has been made.

Changes in the fair value of financial assets at FVTPL are recognised in fair value gains/(losses) in the Statement of Comprehensive Income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

2.4 Impairment

The Company assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.5 Derecognition

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires. Gains and losses on sales are calculated on an average cost basis.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks. For the purpose of the Statement of Cash Flows, cash and cash equivalents are considered to be all highly liquid investments with maturity of three months or less.

Functional and presentation currency

Items included in the financial statements of the Company are measured using the primary currency in which the Company operates. The financial statements are presented in United States Dollar, which is the Company's functional and presentation currency.

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 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.

Share Capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Equity investments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Retained Earnings

Retained earnings represent all current and prior period results of operations as reported in the statement of profit or loss, reduced by the amounts of dividends declared, if any.

Expenses

All the Company expenses other than bank charges are paid by Morgan Stanley & Co. International Plc ("Morgan Stanley") and consequently are not recognised in these financial statements. Bank charges are recognised on an accruals basis.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

2 Principal Accounting Policies (continued)

Financial instruments (continued)

Revenue

Revenue has been recognised as and when it falls due to the Company. The Company is entitled to transaction fees of US$750 for each series of Certificates or Notes issued during the year. In addition, income is received by the Company from Morgan Stanley to cover bank charges.

Taxation

The Company is liable to Jersey income tax at a rate of 0% (2020: 0%).

Valuation of Certificates

The Company held eleven series of Certificates and notes as at the year-end. The Certificates and notes constitute a straight pass through exposure, net of fees, to the underlying investments detailed in note 4. The investments are listed on Euronext Dublin, Gibraltar Stock Exchange, Baden-Württemberg Stock Exchange or Nasdaq First North.

The Company has designated all of the Certificates at FVTPL which is equivalent to the available quoted price of the underlying investment in the market. The Certificates are initially recognised at fair value and subsequently re-measured at fair value through profit or loss based on the last available price of the underlying investment. Profits and losses on sales are accounted for on a trade date basis and taken to the Statement of Comprehensive Income.

3 Accounting Estimates and Judgements

Critical accounting judgements

The Directors of the Company have considered there to be no critical accounting judgements made in respect of the preparation of these financial statements.

Key sources of estimation

The Company uses valuations received from the third party administrators of the underlying investments for daily Net Asset Valuation calculations. Financial assets at fair value through profit or loss are independently valued on an individual basis depending on the nature of the investment. Fair value estimates are made at a specific point in time, based on market conditions and other available information. The certificate investments fall under Level 1, 2 and 3 of the fair value hierarchy. The table in note 4 shows a reconciliation of opening balances to the year end balances. The Directors consider there to be no other key sources of estimation uncertainty at the year end date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

Capital risk management

When managing capital, the Company's objective is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. The Company aims to deliver these objectives by achieving consistent returns from its assets and maintaining sufficient liquidity to meet the expenses of the Company. Currently, there are no externally imposed capital requirements.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

4 Financial Assets at Fair Value through Profit or Loss

Summary as at 31 December 2021	Cost 1 January 2021 US$	Purchases during the year US$	Sales during the year US$	Cost 31 December 2021 US$
Investment Programmes				
Lynx (Cayman) Fund Limited (Series 6)	3,463,728	842,423	(2,396,807)	1,909,344
IPM (Cayman) Fund Limited (Series 9)	16,941,318	-	(16,941,318)	-
Basket Programme (Series 16)	39,925,378	24,428,495	(39,925,378)	24,428,495
MSP (Europe) 1 Limited (Series 17)	850,000	-	(850,000)	-
Two Trees Certificate(Cayman) Fund Limited (Series 19)	2,537,284	125,000	-	2,662,284
RAM (Cayman) Systematic DIVALPHA Limited (Series 20)	3,000,000	8,884,999	(3,989,855)	7,895,144
Basket Programme (Series 23)	-	78,600,828	-	78,600,828
Basket Programme (Series 24)	288,543,919	342,254,397	(20,927,984)	609,870,332
Bayforest (Cayman) Fund Limited (Series 25)	22,000,000	7,000,000	(18,446,448)	10,553,552
AQR Commodity 1 (Cayman) Limited (Series 26)	-	127,594	-	127,594
Swedish ETP Programme	43,859,343	5,248,429	-	49,107,772
German ETP Programme	-	48,101,693	-	48,101,693
Repack Programme (Series 1)	15,000,000	-	(15,000,000)	-
Repack Programme (Series 2)	-	2,000,000	-	2,000,000
	436,120,970	517,613,858	(118,477,790)	835,257,038

Summary as at 31 December 2021	Unrealised fair value 1 January 2021 US$	Unrealised movement in year US$	Fair value 31 December 2021 US$
Investment Programmes			
Lynx (Cayman) Fund Limited (Series 6)	(50,339)	(549,627)	1,309,378
IPM (Cayman) Fund Limited (Series 9)	(5,482,175)	5,482,175	-
Basket Programme (Series 16)	5,582,555	(5,672,943)	24,338,107
MSP (Europe) 1 Limited (Series 17)	(603,638)	603,638	-
Two Trees Certificate(Cayman) Fund Limited (Series 19)	90,238	351,281	3,103,803
RAM (Cayman) Systematic DIVALPHA Limited (Series 20)	-	2,489,331	10,384,475
Basket Programme (Series 23)	-	(42,230)	78,558,598
Basket Programme (Series 24)	30,188,100	(28,844,246)	611,214,186
Bayforest (Cayman) Fund Limited (Series 25)	-	(283,275)	10,270,277
AQR Commodity 1 (Cayman) Limited (Series 26)	-	(3,284)	124,310
Swedish ETP Programme	-	-	49,107,772
German ETP Programme	-	-	48,101,693
Repack Programme (Series 1)	(189,097)	189,097	-
Repack Programme (Series 2)	-	(56,345)	1,943,655
	29,535,644	(26,336,428)	838,456,254

Realised gain on cost	1,873,333
Unrealised fair value movement	(26,336,428)
Fair value movement on assets measured at FVTPL	(24,463,095)

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

4 Financial Assets at Fair Value through Profit or Loss (continued)

Summary as at 31 December 2020	Cost 1 January 2020 US$	Purchases during the year US$	Sales during the year US$	Cost 31 December 2020 US$
Investment Programmes				
Lynx (Cayman) Fund Limited (Series 6)	4,870,352	4,728,096	(6,134,720)	3,463,728
IPM (Cayman) Fund Limited (Series 9)	72,475,265	-	(55,533,947)	16,941,318
Basket Programme (Series 16)	230,666,773	77,214,934	(267,956,329)	39,925,378
MSP (Europe) 1 Limited (Series 17)	700,000	150,000	-	850,000
Two Trees Certificate(Cayman) Fund Limited (Series 19)	2,295,000	2,359,999	(2,117,715)	2,537,284
RAM Systematic DIVALPHA (Cayman) Limited (Series 20)	-	3,000,000	-	3,000,000
Basket Programme (Series 24)	-	308,202,232	(19,658,313)	288,543,919
Bayforest (Cayman) Fund Limited (Series 25)	-	22,000,000	-	22,000,000
Swedish ETP Programme	6,404,414	37,454,929	-	43,859,343
Repack Programme (Series 1)	15,000,000	-	-	15,000,000
	332,411,804	455,110,190	(351,401,024)	436,120,970

Summary as at 31 December 2020	Unrealised fair value 1 January 2020 US$	Unrealised movement in year US$	Fair value 31 December 2020 US$
Investment Programmes			
Lynx (Cayman) Fund Limited (Series 6)	201,161	(251,500)	3,413,389
IPM (Cayman) Fund Limited (Series 9)	(8,307,046)	2,824,871	11,459,143
Basket Programme (Series 16)	8,601,534	(3,018,979)	45,507,933
MSP (Europe) 1 Limited (Series 17)	(393,719)	(209,919)	246,362
Two Trees Certificate(Cayman) Fund Limited (Series 19)	(269,978)	360,216	2,627,522
RAM Systematic DIVALPHA (Cayman) Limited (Series 20)	-	-	3,000,000
Basket Programme (Series 24)	-	30,188,100	318,732,019
Bayforest (Cayman) Fund Limited (Series 25)	-	-	22,000,000
Swedish ETP Programme	-	-	43,859,343
Repack Programme (Series 1)	(1,559,303)	1,370,206	14,810,903
	(1,727,351)	31,262,995	465,656,614

Realised gain on cost	(1,300,775)
Unrealised fair value movement	31,262,995
Fair value movement on assets measured at fair value through profit or loss	29,962,220

The Company used the proceeds of each issue of Certificates or notes detailed in note 6 to acquire interest units in a variety of Investment Programmes. Series 6,9,17,19, 20, 23, 24, 25 and 26 Investment Programmes included Ireland and Cayman Islands Limited Companies and the units are listed on the Irish Stock Exchange. The Investment Programmes provide exposure to leveraged derivative instruments and are held for capital appreciation.

Repack programme series 1 relates to the issue of secured notes linked to physical gold backed exchange traded certificates.

Repack programme series 2 provides limited recourse to AT&T in 4.35% Bond 2029 and MS BV Warrant.

These certificates are listed on the Gibraltar Stock Exchange.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

4 Financial Assets at Fair Value through Profit or Loss (continued)

The German ETP Programme provides exposure to 24 index and share linked securities which are listed on the unregulated trading segment of the Baden-Württemberg Stock Exchange and the official List of EuroNext Dublin.

The Swedish ETP Programme provides exposure to 73 unsecured exchange traded products including index linked debt and warrant instruments which are simultaneously listed on the warrant and certificate exchange segment for the Nasdaq First North Sweden and traded on its regulated market.

The proceeds from both these programmes are invested into a stock basket selected from a preprescribed stock universe.

5 Share Capital

	31 December 2021 US$	31 December 2020 US$
Authorised		
10,000 ordinary shares of £1 each	10,000	10,000
Allotted, called up and fully paid		
2 ordinary shares of £1 each	3	3

On incorporation 2 ordinary shares were issued and fully paid at £1 each, at a foreign exchange rate of GBP 1.0000:US$ 1.35. The Company has one class of ordinary shares which carry no right to fixed income.

6 Financial Liabilities at Fair Value Through Profit or Loss

At 31 December 2021 the Company had 4 Certificate and note programmes in operation. Series 6,9,16,17,19,20,23,24,25 and 26 are issued under a US$50,000,000,000 secured and unsecured Certificates Programme dated 29 June 2012. Swedish ETP programme certificates are issued under a programme for the Issuance of Exchange Traded Products dated 16 August 2018. German ETP programme certificates are issued under a programme for the Issuance of Exchange Traded Products dated 29 April 2021. Repack (Series 1) Programme Certificates are issued under a US$30,000,000,000 Secured and Unsecured Note Programme dated 17 October 2019. Repack (Series 2) Programme Certificates are issued under a US$30,000,000,000 Secured and Unsecured Note Programme dated 1 July 2021.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

6 Financial Liabilities at Fair Value Through Profit or Loss (continued)

All series currently in issue are unsecured and asset backed. At the year end the Company had 11 Series of Certificates in issue under the Programmes, details of the 11 series of Certificates in issue are as follows:

Summary as at 31 December 2021	Number of Certificates in Issue 31 December 2021	Number of Subscribed Certificates 31 December 2021	Number of Unsubscribed Certificates 31 December 2021
Series			
Series 6 Certificates	500,000,000	2,656,196	497,343,804
Series 9 Certificates	1,000,000,000	-	1,000,000,000
Series 16 Certificates	3,250	200	3,050
Series 17 Certificates	500,000,000	-	500,000,000
Series 19 Certificates	500,000,000	2,991,661	497,008,339
Series 20 Certificates	500,000,000	5,969,118	494,030,882
Series 23 Certificates	3,000	660	2,340
Series 24 Certificates	7,500	4,946	2,554
Series 25 Certificates	1,000,000,000	10,270,280	989,729,720
Series 26 Certificates	1,000,000,000	127,594	999,872,406
Swedish ETP Programme	95,121,448	3,906,304	90,361,863
German ETP Programme	93,910,083	2,694,939	91,215,144
Repack Programme (Series 2)	10	10	-
	5,189,045,291	28,621,908	5,159,570,102

Summary as at 31 December 2021	Cost of Certificates 31 December 2021 US$	Price of Certificates 31 December 2021 US$	Fair Value of Certificates 31 December 2021 US$
Series			
Series 6 Certificates	1,909,344	0.49295	1,309,378
Series 9 Certificates	-	-	-
Series 16 Certificate	24,428,494	121,690.53	24,338,107
Series 17 Certificates	-	-	-
Series 19 Certificates	2,662,284	1.03749	3,103,803
Series 20 Certificates	7,895,144	1.73970	10,384,475
Series 23 Certificates	78,600,828	119,028.18	78,558,598
Series 24 Certificates	609,870,332	123,577.47	611,214,186
Series 25 Certificates	10,553,552	1.00000	10,270,277
Series 26 Certificates	127,594	0.97426	124,310
Swedish ETP Programme	49,107,772	1.00000	49,107,772
German ETP Programme	48,101,693	1.00000	48,101,693
Repack Programme (Series 2)	2,000,000	1.27704	1,943,655
	835,257,037		838,456,254

Realised gain on cost	(1,873,333)
Unrealised fair value movement	26,336,428
	24,463,095

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

6 Financial Liabilities at Fair Value Through Profit or Loss (continued)

	31 December 2020 US$ Issued	31 December 2020 US$ Sold	31 December 2020 US$ Cost
Series			
Series 6 Certificates	500,000,000	5,097,151	494,902,849
Series 9 Certificates	1,000,000,000	24,792,591	975,207,409
Series 16 Certificates	3,250	350	2,900
Series 17 Certificates	500,000,000	4,927,228	495,072,772
Series 19 Certificates	500,000,000	2,845,760	497,154,240
Series 20 Certificates	500,000,000	3,000,000	497,000,000
Series 24 Certificates	3,000	2,453	547
Series 25 Certificates	1,000,000,000	22,000,000	978,000,000
Swedish ETP Programme	66,000,000	3,592,839	62,407,161
Repack Programme (Series 1)	75	75	-
	4,066,006,325	66,258,447	3,999,747,878

Summary as at 31 December 2020	Cost of Certificates 31 December 2020 US$	Price of Certificates 31 December 2020 US$	Fair Value of Certificates 31 December 2020 US$
Series			
Series 6 Certificates	3,463,728	0.669661	3,413,389
Series 9 Certificates	16,941,318	0.462200	11,459,143
Series 16 Certificates	39,925,378	106,427.84	45,507,933
Series 17 Certificates	850,000	0.050000	246,362
Series 19 Certificates	2,537,284	0.923311	2,627,522
Series 20 Certificates	3,000,000	1.000000	3,000,000
Series 24 Certificates	288,543,919	106,356.57	318,732,019
Series 25 Certificates	22,000,000	1.000000	22,000,000
Swedish ETP Programme	43,859,343	-	43,859,343
Repack Programme (Series 1)	15,000,000	69.226000	14,810,903
	436,120,970		465,656,614

Realised loss on cost	1,300,775
Unrealised fair value movement	(31,262,995)
Fair value movement on assets measured at fair value through profit or loss	(29,962,220)

The Certificates and notes constitute a straight pass through exposure, net of fees, to the underlying investments detailed in note 4. The Certificates and notes are limited recourse to the proceeds of the investments. The Certificate and note holders shall have no rights or claims against any other assets or future series of the Certificates or notes issued by the Company.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

6 Financial Liabilities at Fair Value Through Profit or Loss (continued)

The amount of the Company's obligations in respect of the Certificates or notes are dependent on the performance of the underlying investment in the interest units of the Investment Programme that each of the Certificates or notes are exposed to, which will in turn determine the amounts repaid to the Certificate holders. The investment in the Certificates is not capital protected and therefore any negative performance of interest units in each underlying investment programme will be reflected in the redemption price, which could result in a total loss on redemption of the Certificates or notes. The Certificates or notes can be redeemed at any time.

The holders of the Certificates have no shareholders rights and no duty to cover losses.

As per the relevant programme prospectus, Crestbridge Fund Administrators Limited, where appointed as the Calculation Agent, will determine the termination amount, liquidation repayment amount or the repayment of the repurchase price as the case may be.

Following the issue of the Certificates detailed above US$5,971,901,981 remains available for issue under the Certificate and Notes Programmes.

7 Trade Payables

	31 December 2021 US$	31 December 2020 US$
Amounts falling due within the year		
Due to certificate holders - Quantica	44,756	-
	44,756	-

8 Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, price risk, cash flow risk and interest rate risk), capital management risk, credit risk and liquidity risk. The financial risks relate to the following financial instruments: financial assets at fair value through profit or loss, cash and cash equivalents, trade and other payables and financial liabilities at fair value through profit or loss. The accounting policies with respect to these financial instruments are described in note 2. The Company's risk management policies employed to manage these risks are discussed below.

(a) Market risk

The Company's exposure to market risk is comprised of the following risks:

(i) Foreign exchange risk

The Company is not exposed to foreign exchange risk on Financial assets at FVTPL as any risk is offset by prices changes in the Financial liabilities at FVTPL. However there is insignificant foreign exchange exposure to the cash of the Company.

(ii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial asset 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 instrument or its issuer. Price risk is increased due to the leveraged nature of the investments however these are documented in the prospectus and the Certificate holders are aware of the risks.

The Company is exposed to market price risk arising from its Underlying Investments (see note 4 for the fair value of these investments). Any price risk to the Company is managed due to the limited recourse nature of the underlying Certificates as disclosed in note 7. Therefore the Directors do not believe the Company is subject to any price risk; though Certificate holders are exposed to price risk.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

8 Financial Risk Management (continued)

(iii) Cash flow and fair value interest rate risk

As the Company has no significant interest-bearing assets, its income and operating cash flows are substantially independent of changes in market interest rates.

The Company is not subject to interest rate risk on any of its liabilities.

(b) Credit risk

Credit risk is the risk that a counterparty will be unable to meet a commitment that it has been entered into with the Company. Credit risk is the potential exposure of the Company to loss in the event of non-performance by the Underlying Investments, the counterparties to the investments. In turn the Company is exposed to a potential loss under the Certificates or Notes but this is mitigated by way of a charge over the Underlying Investments. The Directors consider that the Company is not exposed to any material net credit risk as the Certificates or Notes issued have limited recourse to the proceeds of the investments and hence, amounts due to the Certificate or Note holders are limited to the amount received from the Underlying Investments.

The following table shows the Company's maximum exposure to credit risk:

As at 31 December 2021	Amount US$
Assets	
Cash and cash equivalents	60,641
	60,641

As at 31 December 2020	Amount US$
Assets	
Cash and cash equivalents	66,996
	66,996

The Company is subject to the ECL model on its financial assets that are carried at amortised cost. While cash and cash equivalents and receivables are also subject to the impairment requirements of IFRS 9, there were no identified impairment losses. The Company is also exposed to credit risk in relation to financial assets that are measured at FVTPL. The maximum exposure at the end of the reporting period is the carrying amount of these financial assets. Due to the nature of the receivables and that they are not past due, there are no expected credit losses.

The fair value of the Company's financial assets and liabilities approximate their carrying amounts at the year end date.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The potential risk of not being able to meet its financial liabilities is mitigated by the fact that the investment interest detailed in note 4 are of highly liquid and the repayment profile of the Certificates, the Company's main liabilities, have been matched to the liquidity profile of the investments which are publicly traded.

As at 31 December 2021	Up to 1 yr US$	1 yr to 5 yrs US$	On demand US$	Total US$
Assets				
Cash and cash equivalents	60,641	-	-	60,641
Financial assets at FVTPL	-	-	838,456,254	838,456,254
	60,641	-	838,456,254	838,516,895

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

8 Financial Risk Management (continued)

As at 31 December 2021	Up to 1 yr	1 yr to 5 yrs	On demand	Total
	US$	US$	US$	US$
Liabilities				
Financial liabilities at FVTPL	-	-	838,456,254	838,456,254
Due in respect of investment purchases	44,757	-	-	44,757
	44,757	-	838,456,254	838,501,011

As at 31 December 2020	Up to 1 yr	1 yr to 5 yrs	On demand	Total
	US$	US$	US$	US$
Assets				
Cash and cash equivalents	66,996	-	-	66,996
Financial assets at FVTPL	-	-	456,656,614	456,656,614
	66,996	-	456,656,614	456,723,610

As at 31 December 2020	Up to 1 yr	1 yr to 5 yrs	On Demand	Total
	US$	US$	US$	US$
Liabilities				
Financial liabilities at FVTPL	-	-	456,646,614	456,646,614
Total	-	-	456,646,614	456,646,614

(d) Capital management

When managing capital the Company's objectives are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and the Certificate and Note holders.

The expenses of the Company are funded by a third party and the Company will issue further Certificates or notes in order to fund further investments. Any capital requirements are known with some certainty and therefore no formal monitoring is considered necessary. There are no externally imposed capital requirements.

Fair value measurements recognised in the Statement of Financial Position

IFRS 13 Fair Value measurement requires disclosure of fair value measurements to be categorised by Level. The Levels are split between three levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

8 Financial Risk Management (continued)

The Company's financial assets and liabilities were classified as follows:

As at 31 December 2021	Level 1	Level 2	Level 3
Assets	813,254,010	25,192,244	-
Liabilities	813,254,010	25,192,244	-

As at 31 December 2020	Level 1	Level 2	Level 3
Assets	422,910,199	42,746,415	-
Liabilities	422,910,199	42,746,415	-

There were no transfers between Level 1, 2 and 3 during the year. All liabilities during the year are measured using fair values falling under Levels 1,2 and 3. The valuation of the majority of the underlying investments fall under the Level 1 fair value hierarchy. The fair values of quoted investments have been derived using observable market data.

9 Related Party Transactions

S Conroy, and T Ridgway, Directors of the Company, are senior employees of Crestbridge Limited ("Crestbridge") who provide ongoing administrative services to the Company at normal commercial rates. During the year £831,767 (31 December 2020: £486,750) was paid to Crestbridge in respect of services, of which £218,565 (31 December 2020: £111,289) was outstanding at the year end. As these expenses are paid by a third party they have not been recognised in these financial statements.

Crestbridge is the affiliate leader of a group of companies of which includes Crestbridge Corporate Services Limited (administrator and company secretary to the Company), Crestbridge Fund Administrators Limited (Calculation Agent) and Crestbridge Corporate Trustees Limited (share trustee for the Company).

10 Segmental Reporting

The Directors, who together are the Chief Operating Decision Makers, consider that the Company comprises of one operating segment and that it operates in the country of incorporation. The Company provides the Directors with the financial information that is on an aggregated level. As such, there is no segmental information to disclose.

11 Immediate Parent and Ultimate Controlling Party

The Immediate Parent of the Company is The Oder Capital Charitable Trust, a trust formed in Jersey for charitable purposes. The Ultimate Controlling Party of the Company is Crestbridge Corporate Trustees Limited as Trustee of The Oder Capital Charitable Trust.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

12 Events after the Reporting Period

On 14 January 2022 the Company entered into joint issue with Memel Capital PCC of secured and unsecured notes pursuant to the Programme detailed in the Issuance Documents. Both the Company and Memel Capital PCC may issue notes separately with proceeds invested into bonds or notes of any form, denomination, type and issue or other assets as specified in the relevant Issuance Document.

On 31 January 2022 the Company issued the eighth tranche of Securities pursuant to the German Exchange Traded Products Programme being 5,000,000 Börse Online Reversal Index Tracker Securities and 5,000,000 DER AKTIONÄR CO2 Index Tracker Securities.

On 31 January 2022 the Company issued EUR 1,000,000,000 certificates in respect of the new Series 27 Certificates under the Company's Programme linked to the shares of Man Custom Hedging II Limited. On 11 February, the initial subscription for EUR 73,605,000 for 736,050 Series 27 Certificates was completed.

On the 11 February 2022 the Company extended the maturity date of Series 23 Basket Linked Certificates to 28 February 2023.

On 22 February 2022 the Company issued the nineth tranche of Securities pursuant to the German Exchange Traded Products Programme being 5,000,000 DER AKTIONÄR Europa Inflation Index Tracker Securities.

On 16 March 2022 the Company issued the tenth tranche of Securities pursuant to the German Exchange Traded Products Programme being 5,000,000 Index Certificates on Börse Online Grüne Zukunft Index and 5,000,000 Aktionar Index Certificates on Der Aktionar Energiewende Index.

On 24 March 2022 the Company issued the eleventh tranche of Securities pursuant to the German Exchange Traded Products Programme being 5,000,000 Index Certificates on Börse Online Stabile Werte Index.