

# **Calamatta Cuschieri Fund Services Limited**

## **Report and financial statements**

31 December 2017

## Contents

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	<i>Page</i>
Directors, officer and other information	<i>1</i>
Statement of directors' responsibilities	<i>2</i>
Statement of profit or loss and other comprehensive income	<i>3</i>
Statement of financial position	<i>4</i>
Statement of changes in equity	<i>5</i>
Statement of cash flows	<i>6</i>
Notes to the financial statements	<i>7 - 22</i>
Independent auditor's report	<i>23 - 25</i>

# Calamatta Cuschieri Fund Services Limited

## Directors, officer and other information

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<i>Directors:</i>	Nicholas Calamatta Alan Cuschieri Michael Galea
<i>Secretary:</i>	Sharon Fenech
<i>Registered office:</i>	Ewropa Business Centre, Dun Karm Street, Birkirkara
<i>Country of incorporation:</i>	Malta
<i>Company registration number:</i>	C 45733
<i>Auditor:</i>	Deloitte Audit Limited, Deloitte Place, Mriehel Bypass, Mriehel, Malta.
<i>Banker</i>	Bank of Valletta P.L.C., 45, Republic Street, Valletta, Malta
<i>Legal advisors.</i>	GANADO Advocates, 171, Old Bakery Street, Valletta, Malta.

# Calamatta Cuschieri Fund Services Limited

## Statement of directors' responsibilities

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The directors are required by the Companies Act (Cap. 386) to prepare financial statements in accordance with generally accepted accounting principles and practice which give a true and fair view of the state of affairs of the company at the end of each financial year and of the profit or loss for the year then ended.

In preparing the financial statements, the directors should:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the company will continue in business as a going concern.

The directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the company and which enable the directors to ensure that the financial statements comply with the Companies Act (Cap. 386). This responsibility includes designing, implementing and maintaining 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. The directors are also responsible for safeguarding the assets of the company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Calamatta Cuschieri Fund Services Limited

## Statement of profit or loss and other comprehensive income

Year ended 31 December 2017

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	<i>Notes</i>	<b>2017</b> EUR	2016 EUR
Revenue	6	1,032,243	1,057,837
Direct costs		(108,569)	(132,294)
Administrative expenses		(693,436)	(674,146)
Operating profit		<u>230,238</u>	<u>251,397</u>
Investment income		15	17
<b>Profit before tax</b>	7	<u>230,253</u>	<u>251,414</u>
Income tax expense	10	(80,585)	(87,992)
<b>Profit for the year/total comprehensive income for the year</b>		<u><u>149,668</u></u>	<u><u>163,422</u></u>

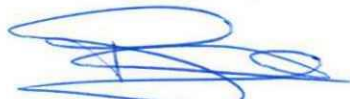
# Calamatta Cuschieri Fund Services Limited

## Statement of financial position

31 December 2017

	<i>Notes</i>	2017 EUR	2016 EUR
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	11	4,956	-
Furniture and office equipment	12	10,219	13,595
		<u>15,175</u>	<u>13,595</u>
<b>Current assets</b>			
Other receivables	13	371,902	362,574
Cash and cash equivalents	17	76,615	42,680
		<u>448,517</u>	<u>405,254</u>
<b>Total assets</b>		<u>463,692</u>	<u>418,849</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	14	129,755	184,644
Current tax liabilities		28,754	53,824
		<u>158,509</u>	<u>238,468</u>
<b>Non-current liabilities</b>			
Other financial liabilities	15	116,091	141,104
Deferred tax liability		295	148
		<u>116,386</u>	<u>141,252</u>
<b>Total liabilities</b>		<u>274,895</u>	<u>379,720</u>
<b>Net assets</b>		<u>188,797</u>	<u>39,129</u>
<b>EQUITY</b>			
Share capital	16	5,000	5,000
Retained earnings		183,797	34,129
<b>Total equity</b>		<u>188,797</u>	<u>39,129</u>

These financial statements were approved by the board of directors, authorised for issue on 24 April 2018 and signed on its behalf by:



*Michael Galea*  
Director



*Nicholas Calamatta*  
Director

# Calamatta Cuschieri Fund Services Limited

## Statement of changes in equity

Year ended 31 December 2017

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	Share capital EUR	Retained earnings/ (accumulated losses) EUR	Total EUR
<b>Balance at 1 January 2016</b>	5,000	(129,293)	(124,293)
Profit for the year / total comprehensive income for the year	-	163,422	163,422
	<hr/>	<hr/>	<hr/>
<b>Balance at 1 January 2017</b>	5,000	34,129	39,129
Profit for the year / total comprehensive income for the year	-	149,668	149,668
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2017</b>	<b>5,000</b>	<b>183,797</b>	<b>188,797</b>

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# Calamatta Cuschieri Fund Services Limited

## Statement of cash flows

Year ended 31 December 2017

	2017 EUR	2016 EUR
<b>Cash flows from operating activities</b>		
Profit before tax	230,253	251,414
<i>Adjustments for:</i>		
Amortisation and impairment of intangible assets	1,652	-
Depreciation	3,376	3,376
Interest receivable	(15)	(17)
	<hr/>	<hr/>
Operating profit before working capital movement	235,266	254,773
Movement in trade and other receivables	(9,328)	(62,375)
Movement in trade and other payables	(54,889)	90,341
Interest received	15	17
Income tax paid	(105,508)	(137,385)
	<hr/>	<hr/>
<i>Net cash flows generated from operating activities</i>	65,556	145,371
	<hr/>	<hr/>
<b>Cash flows used in investing activities</b>		
Purchase of intangible asset	(6,608)	-
Purchase of property, plant and equipment	-	(13,359)
	<hr/>	<hr/>
<i>Net cash flows used in investing activities</i>	(6,608)	(13,359)
	<hr/>	<hr/>
<b>Cash flows used in financing activities</b>		
Repayment to related parties	(25,013)	(224,085)
	<hr/>	<hr/>
<i>Net cash flows used in financing activities</i>	(25,013)	(224,085)
	<hr/>	<hr/>
<b>Net movement in cash and cash equivalents</b>	33,935	(92,073)
	<hr/>	<hr/>
<b>Cash and cash equivalents at the beginning of the year</b>	42,680	134,753
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year (note 17)</b>	<u>76,615</u>	<u>42,680</u>



# Calamatta Cuschieri Fund Services Limited

## Notes to the financial statements

31 December 2017

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### 1. Company information

Calamatta Cuschieri Fund Services Limited (the “company”) is a limited liability company, with the registration number C 45733. The registered office of the company is located at Ewropa Business Centre, Dun Karm Street, Birkirkara, Malta.

The company is part of the Calamatta Group of Companies, with the parent company being Calamatta Group Plc (the “parent company”).

The principal objective of the company is to provide administration, transfer agency and related services to collective investment schemes in terms of the Investment Services Act, 1994. The company is also involved in the provision of corporate and advisory services to local companies in accordance with the Company Service Provider Act, 2013.

### 2. Basis of preparation

The financial statements have been prepared on the historical cost basis and in accordance with the provisions of the Companies Act (Cap. 386) (the “Act”) enacted in Malta, which requires adherence to International Financial Reporting Standards (IFRSs) as adopted by the EU and their interpretations adopted by the International Accounting Standards Board (IASB).

The significant accounting policies adopted are set out below.

### 3. Significant accounting policies

#### *Furniture and office equipment*

The company’s furniture and office equipment are classified into the following classes – computer hardware, computer hardware – server, office equipment, furniture and fittings.

Furniture and office equipment are initially measured at cost. Subsequent costs are included in the asset’s carrying amount when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. Expenditure on repairs and maintenance of property, plant and equipment is recognised as an expense when incurred.

Items of property, plant and equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses.

# Calamatta Cuschieri Fund Services Limited

## Notes to the financial statements

31 December 2017

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### 3. Significant accounting policies (continued)

#### *Furniture and office equipment (continued)*

Property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains or losses arising from de-recognition represent the difference between the net disposal proceeds, if any, and the carrying amount, and are included in profit or loss in the period of de-recognition.

#### *Depreciation*

Depreciation commences when the depreciable assets are available for use and is charged to profit or loss so as to write off the cost less any estimated residual value, over their estimated useful lives, using the straight-line method, on the following bases:

Computer Hardware	-	25% per annum
Computer Hardware – Server	-	16.67% per annum
Office Equipment	-	20% per annum
Furniture and Fittings	-	10% per annum

The depreciation method applied, the residual value and the useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

#### *Intangible assets*

An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

Intangible assets are initially measured at cost. Expenditure on an intangible asset is recognised as an expense in the period when it is incurred unless it forms part of the cost of the asset that meets the recognition criteria.

The useful life of intangible assets is assessed to determine whether it is finite or indefinite. Intangible assets with a finite useful life are amortised. Amortisation is charged to profit or loss so as to write off the cost of intangible assets less any estimated residual value, over their estimated useful lives.

The amortisation method applied, the residual value and the useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

Intangible assets are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains or losses arising from derecognition represent the difference between the net disposal proceeds, if any, and the carrying amount, and are included in profit or loss in the period of derecognition.

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# Calamatta Cuschieri Fund Services Limited

## Notes to the financial statements

31 December 2017

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### 3. Significant accounting policies (continued)

#### *Computer software*

In determining the classification of an asset that incorporates both intangible and tangible elements, judgement is used in assessing which element is more significant. Computer software which is an integral part of the related hardware is classified as property, plant and equipment and accounted for in accordance with the company's accounting policy on property, plant and equipment. Where the software is not an integral part of the related hardware, this is classified as an intangible asset and carried at cost less any accumulated amortisation and any accumulated impairment losses. Computer software classified as an intangible asset is amortised on a straight-line basis over five years.

#### *Financial instruments*

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially recognised at their fair value plus directly attributable transaction costs for all financial assets or financial liabilities not classified at fair value through profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the company has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or when the entity transfers the financial asset and the transfer qualifies for de-recognition.

Financial liabilities are derecognised when they are extinguished. This occurs when the obligation specified in the contract is discharged, cancelled or expires.

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

# Calamatta Cuschieri Fund Services Limited

## Notes to the financial statements

31 December 2017

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### 3. Significant accounting policies (continued)

#### *Financial instruments (continued)*

(i) Trade receivables

Trade receivables are classified with current assets and are stated at their nominal value. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

(ii) Trade and other payables

Trade and other payables are classified with current liabilities and are stated at their nominal value.

(iii) Shares issued by the company

Ordinary shares issued by the company are classified as equity instruments.

#### *Impairment*

All assets are tested for impairment and at the end of each reporting period, the carrying amount of assets is reviewed to determine whether there is any indication or objective evidence of impairment, as appropriate, and if any such indication or objective evidence exists, the recoverable amount of the asset is estimated. Intangible assets with an indefinite useful life and intangible assets that are not yet available for use are tested for impairment annually, irrespective of whether an indication of impairment exists.

An impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount

In the case of assets tested for impairment, the recoverable amount is the higher of fair value less costs to sell (which is the amount obtainable from sale in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal) and value in use (which is the present value of the future cash flows expected to be derived, discounted using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset). Where the recoverable amount is less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount, as calculated.

Impairment losses are recognised immediately in profit or loss.

# Calamatta Cuschieri Fund Services Limited

## Notes to the financial statements

31 December 2017

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### 3. Significant accounting policies (continued)

#### *Impairment (continued)*

In the case of assets tested for impairment, an impairment loss recognised in a prior period is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

Impairment reversals are recognised immediately in profit or loss.

#### *Revenue recognition*

Revenue is measured at the fair value of the consideration received or receivable for services provided in the normal course of business, net of value added tax and discounts, where applicable. Revenue is recognised to the extent that it is probable that future economic benefits will flow to the company and these can be measured reliably. The following specific recognition criteria must also be met before revenue is recognised:

i. Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding.

ii. Provision of services

Revenue from the provision of services is recognised in the year in which the services are rendered.

#### *Taxation*

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

The charge for current tax is based on the taxable result for the period. The taxable result for the period differs from the result as reported in profit or loss because it excludes items which are non-assessable or disallowed and it further excludes items that are taxable or deductible in other periods. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

# Calamatta Cuschieri Fund Services Limited

## Notes to the financial statements

31 December 2017

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### 3. Significant accounting policies (continued)

#### *Taxation (continued)*

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are offset when the company has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset when the company has a legally enforceable right to set off its current tax assets and liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### *Currency translation*

The financial statements of the company are presented in its functional currency, the Euro, being the currency of the primary economic environment in which the company operates. Transactions denominated in currencies other than the functional currency are translated at the exchange rates ruling on the date of transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are re-translated to the functional currency at the exchange rate ruling at year-end. Exchange differences arising on the settlement and on the re-translation of monetary items are dealt with in profit or loss. Foreign exchange gains and losses are included with other operating income and expenses, respectively.

#### *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and on hand.

# Calamatta Cuschieri Fund Services Limited

## Notes to the financial statements

31 December 2017

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### 3. Significant accounting policies (continued)

#### *Employee benefits*

The company contributes towards the state pension in accordance with local legislation. The only obligation of the company is to make the required contributions. Costs are expensed in the period in which they are incurred.

### 4. Judgements in applying accounting policies and key sources of estimation uncertainty

In the process of applying the company's accounting policies, management has made no judgements which can significantly affect the amounts recognised in the financial statements and, at the end of the reporting period, there were no key assumptions concerning the future, or any other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 5. Adoption of International Financial Reporting Standards and International Financial Reporting Standards in issue but not yet effective

#### *Adoption of revised International Financial Reporting Standards*

The following amendment to the existing standards issued by the International Accounting Standards Board is effective for the current year:

- The January 2016 amendments to IAS 12 clarify how to account for deferred tax assets related to debt instruments measured at fair value to address diversity in practice. This standard is applicable for annual periods beginning on or after 1 January 2017 and endorsed by the EU as at 9<sup>th</sup> November 2017

The application of this amendment has not resulted in any significant impact on these financial statements.

# Calamatta Cuschieri Fund Services Limited

## Notes to the financial statements

31 December 2017

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### 5. Adoption of International Financial Reporting Standards and International Financial Reporting Standards in issue but not yet effective (continued)

#### *International Financial Reporting Standards in issue but not yet effective*

At the date of authorisation of these financial statements the following standards, revisions and interpretations were in issue but not yet effective: The Directors are currently evaluating the impact on the financial statements of the Company.

- The final version of IFRS 9 brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. The Standard supersedes all previous versions of IFRS 9.

IFRS 9 introduces a logical approach for the classification of financial assets, which is driven by cash flow characteristics and the business model in which an asset is held. This single, principle-based approach replaces existing rule based requirements that are generally considered to be overly complex and difficult to apply.

The new model also results in a single, forward-looking 'expected loss' impairment model that will require more timely recognition of expected credit losses.

IFRS 9 introduces a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new model represents a significant overhaul of hedge accounting that aligns the accounting treatment with risk management activities, enabling entities to better reflect these activities in their financial statements.

IFRS 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognised in profit or loss.

- IFRS 15 Revenue from contracts with customers issued in May 2015 is the result of a convergence project between the IASB and the FASB. IFRS 15 specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard supersedes IAS 18 'Revenue', IAS 11 'Construction Contracts' and a number of revenue-related interpretations. Application of the standard is mandatory for all IFRS reporters and it applies to nearly all contracts with customers: the main exceptions being leases, financial instruments and insurance contracts.



# Calamatta Cuschieri Fund Services Limited

## Notes to the financial statements

31 December 2017

### 6. Revenue

Revenue represents the amounts received for services rendered during the year, net of any indirect taxes, as follows:

	2017 EUR	2016 EUR
Administration fees	788,014	807,235
Directors' fees	70,788	57,479
Financial statements preparation fees	90,886	80,998
Other fees	82,555	112,125
	<u>1,032,243</u>	<u>1,057,837</u>

### 7. Profit before tax

	2017 EUR	2016 EUR
<i>This is stated after charging:</i>		
Auditors' remuneration	5,000	5,000
Amortisation	1,652	-
Depreciation	3,376	3,376
	<u>100,028</u>	<u>100,028</u>

### 8. Key management personnel compensation

	2017 EUR	2016 EUR
<b>Directors' compensation</b>		
<i>Short-term benefits:</i>		
Management remuneration	<u>49,239</u>	<u>88,618</u>

### 9. Staff costs and employee information

	2017 EUR	2016 EUR
<i>Staff costs:</i>		
Salary cost recharged by related party	<u>474,435</u>	<u>444,095</u>

# Calamatta Cuschieri Fund Services Limited

## Notes to the financial statements

31 December 2017

### 10. Income tax expense

	2017 EUR	2016 EUR
Current tax expense	80,438	87,845
Deferred tax expense	147	147
	<u>80,585</u>	<u>87,992</u>

Tax applying the statutory domestic income tax rate and the income tax expense for the year are reconciled as follows:

	2017 EUR	2016 EUR
Profit before tax	230,253	251,397
Tax at the applicable rate of 35%	80,588	87,989
<i>Tax effect of:</i>		
Income taxed at 15%	(3)	(3)
Income tax expense for the year	<u>80,585</u>	<u>87,992</u>

# Calamatta Cuschieri Fund Services Limited

## Notes to the financial statements

31 December 2017

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### 11. Intangible assets

	Software EUR
<b>Cost</b>	
At 01.01.2016	-
Additions	-
	<hr/>
At 01.01.2017	-
Additions	6,608
	<hr/>
At 31.12.2017	6,608
	<hr/>
<b>Accumulated amortisation</b>	
At 01.01.2016	-
Provision for the year	-
	<hr/>
At 01.01.2017	-
Provision for the year	1,652
	<hr/>
At 31.12.2017	1,652
	<hr/>
<b>Carrying amount</b>	
At 01.01.2017	-
	<hr/>
At 31.12.2017	4,956
	<hr/> <hr/>

# Calamatta Cuschieri Fund Services Limited

## Notes to the financial statements

31 December 2017

### 12. Furniture and office equipment

	<b>Furniture and office equipment EUR</b>
<b>Cost</b>	
At 01.01.2016	17,583
Additions	13,359
	<hr/>
At 01.01.2017	30,942
Additions	-
	<hr/>
At 31.12.2017	30,942
	<hr/>
<b>Accumulated depreciation</b>	
At 01.01.2016	13,971
Provision for the year	3,376
	<hr/>
At 01.01.2017	17,347
Provision for the year	3,376
	<hr/>
At 31.12.2017	20,723
	<hr/>
<b>Carrying amount</b>	
At 01.01.2017	13,595
	<hr/>
At 31.12.2017	<b>10,219</b>
	<hr/> <hr/>

### 13. Other receivables

	<b>2017 EUR</b>	<b>2016 EUR</b>
Accrued income	348,252	329,174
Prepayments	23,253	21,778
Other receivables	397	11,622
	<hr/>	<hr/>
	<b>371,902</b>	<b>362,574</b>
	<hr/> <hr/>	<hr/> <hr/>

# Calamatta Cuschieri Fund Services Limited

## Notes to the financial statements

31 December 2017

### 14. Trade and other payables

	2017 EUR	2016 EUR
Other payables	4,001	25,362
Accruals and deferred income	125,754	159,282
	<u>129,755</u>	<u>184,644</u>

### 15. Other financial liabilities

	2017 EUR	2016 EUR
Amounts owed to related company	<u>116,091</u>	<u>141,104</u>

These amounts are unsecured, interest free and have no fixed date for repayment. The effect of any discounting is not significant. Further details are also provided in note 18 to these financial statements.

### 16. Share capital

	Authorised EUR	2017 and 2016 Issued and called up EUR
50,000 ordinary shares of EUR1 each (5,000 of which have been issued and called up)	<u>50,000</u>	<u>5,000</u>

### 17. Cash and cash equivalents

Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amount:

	2017 EUR	2016 EUR
Cash at bank and on hand	<u>76,615</u>	<u>42,680</u>

Cash at bank earns interest based on daily bank deposit rates.

# Calamatta Cuschieri Fund Services Limited

## Notes to the financial statements

31 December 2017

### 18. Related party disclosures

The immediate parent and ultimate controlling party of Calamatta Cuschieri Fund Services Limited is Calamatta Cuschieri Group plc, a company registered in Malta, with its registered address at Ewropa Business Centre, Dun Karm Street, Birkirkara, Malta.

Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

During the course of the year, the company entered into transactions with related parties as set out below.

		Sales to related party %/EUR	Purchases from related party EUR	Amounts owed by related party EUR	Amounts owed to related party EUR
Calamatta Cuschieri Sicav PLC	2017	18% - 187,681	-	-	-
	2016	15% - 160,045	-	-	-
Calamatta Cuschieri Investment Serv. Ltd	2017	-	-	-	116,091
	2016	-	-	-	141,104
FinanceStack Limited	2017	-	36,642	-	-
	2016	-	-	-	-

During the current and the prior year, the company did not claim any group tax losses from group undertakings

The amounts owed to related parties at year-end are disclosed in notes 13 and 15. The terms and conditions in respect of the related party balances do not specify the nature of the consideration to be provided in settlement. No guarantees have been given or received. These amounts were unsecured and interest-free

The parent company prepares consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the EU. A copy of the report and accounts will be delivered to the registrar of companies.

# Calamatta Cuschieri Fund Services Limited

## Notes to the financial statements

31 December 2017

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### 19. Fair values of financial assets and financial liabilities

At 31 December 2017 and 2016 the carrying amounts of financial assets and financial liabilities classified with current assets and current liabilities approximated their fair values due to the short-term maturities of these assets and liabilities.

The fair values of non-current financial assets and non-current financial liabilities that are not measured at fair value are not materially different from their carrying amounts.

### 20. Financial risk management

The exposures to risk and the way risks arise, together with the company's objectives, policies and processes for managing and measuring these risks are disclosed in more detail below.

The objectives, policies and processes for managing financial risks and the methods used to measure such risks are subject to continual improvement and development.

Where applicable, any significant changes in the company's exposure to financial risks or the manner in which the company manages and measures these risks are disclosed below.

Where possible, the company aims to reduce and control risk concentrations. Concentrations of financial risk arise when financial instruments with similar characteristics are influenced in the same way by changes in economic or other factors. The amount of the risk exposure associated with financial instruments sharing similar characteristics is disclosed in more detail in the notes to the financial statements.

#### *Credit risk*

Financial assets which potentially subject the company to concentrations of credit risk consist principally of receivables and cash at bank.

Credit risk with respect to receivables is limited as balances are due from related parties and regulated entities. The company assesses the credit quality of its customers by taking into account their financial standing and past experience.

The maximum exposure to credit risk is disclosed in notes 13 and 18.

Cash at bank is placed with Bank of Valletta which is rated BBB+ by the international rating agency Fitch.

# Calamatta Cuschieri Fund Services Limited

## Notes to the financial statements

31 December 2017

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### 20. Financial risk management (continued)

#### *Liquidity risk*

The company monitors and manages its risk to a shortage of funds by matching the maturity of both its financial assets and financial liabilities. The company relies heavily on the funding obtained from a related company which enables it to meet its obligations as they fall due.

Management does not consider the company is significantly exposed to liquidity risk in that the most significant balance is due to a related company, which has committed to continue to assist the company in financing its obligations.

#### *Capital risk management*

The company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maximise the return to stakeholders through the optimisation of the debt and equity balance.

The primary objective of the company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value.

The capital structure of the company consists of debt, which includes the borrowings disclosed in note 15 and items presented within equity in the statement of financial position.

The company's directors manage the company's capital structure and make adjustments to it, in light of changes in economic conditions. The capital structure is reviewed on an ongoing basis. Based on recommendations of the directors, the company balances its overall capital structure through the payments of dividends, new share issues as well as the issue of new debt or the redemption of existing debt.

### 21. Events after the reporting period

There are no events after the reporting period up until the date of authorisation of these financial statements, which require adjustment of or disclosure in these financial statements.



## Independent auditor's report

to the members of

**Calamatta Cuschieri Fund Services Limited**

### *Report on the Audit of the Financial Statements*

#### **Opinion**

We have audited the financial statements of Calamatta Cuschieri Fund Services Limited (the Company), set out on pages 3 to 22, which comprise the statement of financial position as at 31 December 2017 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including significant accounting policies

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2017 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and have been properly prepared in accordance with the requirements of the Maltese Companies Act (Cap 386).

#### **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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code) together with the *Accountancy Profession (Code of Ethics for Warrant Holders) Directive* (Maltese Code) that are relevant to our audit of the financial statements in Malta, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Maltese Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

#### **Information Other than the Financial Statements and the Auditor's Report Thereon**

The directors are responsible for the other information. The other information comprises the company information on page 1 and the statement of directors' responsibilities on page 2, but does not include the financial statements and our auditor's report thereon.

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

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

#### **Responsibilities of the Directors for the Financial Statements**

As explained more fully in the statement of director's responsibilities on page 2, the directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs as adopted by the EU and the requirements of the Maltese Companies Act (Cap 386), 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.

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## Independent auditor's report (continued)

to the members of  
**Calamatta Cuschieri Fund Services Limited**

### **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 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 scepticism 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude 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 auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

## Independent auditor's report (continued)

to the members of

**Calamatta Cuschieri Fund Services Limited**

### *Report on Other Legal and Regulatory Requirements*

Under the Maltese Companies Act (Cap. 386), we have responsibilities to report to you if in our opinion:

- Proper accounting records have not been kept;
- Proper returns adequate for our audit have not been received from branches not visited by us;
- The financial statements are not in agreement with the accounting records and returns; or
- We have been unable to obtain all the information and explanations which, to the best of our knowledge and belief, are necessary for the purpose of our audit.

We have nothing to report to you in respect of these responsibilities.



Sarah Curmi as Director  
in the name and on behalf of  
**Deloitte Audit Limited**  
Registered auditor  
Mriehel, Malta

24 April 2018