CC Fund Services (Malta) Limited

(formerly Calamatta Cuschieri Fund Services Limited)

C 45733

Report and financial statements

31 December 2018

R.O.C. COPY With filing exemptions as per art.183(2) Cap.386		
Small company as per Director/s Declaration on prescribed form pursuant to art 183(3) Cap 386	Other than the first accounting period	First accounting period
Form DD1 / DD2	☐	☐

Contents

	Page
Company information	*1*
Statement of directors' responsibilities	*2*
Statement of profit or loss and other comprehensive income	*3*
Statement of financial position	*4*
Statement of changes in equity	*5*
Statement of cash flows	*6*
Notes to the financial statements	*7 - 28*
Independent auditor's report	*29 - 31*

CC Fund Services (Malta) Limited
(formerly Calamatta Cuschieri Fund Services Limited)

Company information

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

Statement of directors' responsibilities

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.

CC Fund Services (Malta) Limited
(formerly Calamatta Cuschieri Fund Services Limited)

Statement of profit or loss and other comprehensive income
Year ended 31 December 2018

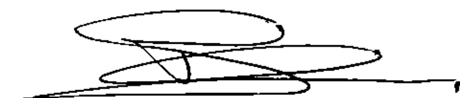
	Notes	2018 EUR	2017 EUR
Revenue	6	**1,288,987**	1,032,243
Direct costs		**(128,221)**	(108,569)
Administrative expenses		**(824,765)**	(693,436)
Operating profit		**336,001**	230,238
Investment income		**26**	15
Profit before tax	7	**336,027**	230,253
Income tax expense	10	**(117,604)**	(80,585)
Profit for the year/total comprehensive income for the year		**218,423**	149,668

CC Fund Services (Malta) Limited
(formerly Calamatta Cuschieri Fund Services Limited)

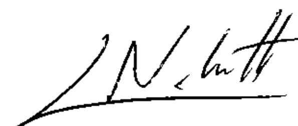
Statement of financial position
31 December 2018

	Notes	2018 EUR	2017 EUR
ASSETS			
Non-current assets			
Intangible assets	*11*	**3,304**	4,956
Furniture and office equipment	*12*	**8,119**	10,219
		11,423	15,175
Current assets			
Other receivables	*13*	**598,420**	371,902
Cash and cash equivalents	*17*	**31,728**	76,615
Current tax asset		**43,921**	-
		674,069	448,517
Total assets		**685,492**	463,692
LIABILITIES			
Current liabilities			
Trade and other payables	*14*	**160,377**	129,755
Current tax liabilities		-	28,754
		160,377	158,509
Non-current liabilities			
Other financial liabilities	*15*	**117,453**	116,091
Deferred tax liability		**442**	295
		117,895	116,386
Total liabilities		**278,272**	274,895
Net assets		**407,220**	188,797
EQUITY			
Share capital	*16*	**5,000**	5,000
Retained earnings		**402,220**	183,797
Total equity		**407,220**	188,797

These financial statements were approved by the board of directors, authorised for issue on 30 April 2019 and signed on its behalf by:



Michael Galea
Director



Nicholas Calamatta
Director

CC Fund Services (Malta) Limited
(formerly Calamatta Cuschieri Fund Services Limited)

Statement of changes in equity
Year ended 31 December 2018

	Share capital EUR	Retained earnings EUR	Total EUR
Balance at 1 January 2017	5,000	34,129	39,129
Profit for the year / total comprehensive income for the year	-	149,668	149,668
Balance at 1 January 2018	5,000	183,797	188,797
Profit for the year / total comprehensive income for the year	-	218,423	218,423
Balance at 31 December 2018	**5,000**	**402,220**	**402,220**

CC Fund Services (Malta) Limited
(formerly Calamatta Cuschieri Fund Services Limited)

Statement of cash flows
Year ended 31 December 2018

	2018 **EUR**	2017 EUR
Cash flows from operating activities		
Profit before tax	**336,027**	230,253
Adjustments for:		
Amortisation of intangible assets	**1,652**	1,652
Depreciation	**2,100**	3,376
Interest receivable	**(26)**	(15)
Operating profit before working capital movement	**339,753**	235,266
Movement in trade and other receivables	**(134,376)**	(9,328)
Movement in trade and other payables	**30,622**	(54,889)
Interest received	**26**	15
Income tax paid	**(72,678)**	(105,508)
Net cash flows generated from operating activities	**163,347**	65,556
Cash flows used in investing activities		
Purchase of intangible asset	**-**	(6,608)
Net cash flows used in investing activities	**-**	(6,608)
Cash flows used in financing activities		
Repayment to related parties	**(208,234)**	(25,013)
Net cash flows used in financing activities	**(208,234)**	(25,013)
Net movement in cash and cash equivalents	**(44,887)**	33,935
Cash and cash equivalents at the beginning of the year	**76,615**	42,680
Cash and cash equivalents at the end of the year (note 17)	**31,728**	76,615

1. Company information

CC Fund Services (Malta) Limited (formerly 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 Cuschieri 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 furniture and office equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses.

3. Significant accounting policies (continued)

Furniture and office equipment (continued)

Furniture and office 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.

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 – prior year

Financial assets and financial liabilities in prior year, were 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.

(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.

3. Significant accounting policies (continued)

Financial instruments – prior year (continued)

(iii) Shares issued by the Company

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

Financial instruments – current year

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 assets are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the periods presented the Company does not have any financial assets categorised as FVOCI and FVTPL.

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

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

After initial recognition, these are measured at amortised cost using the effective interest method. Expected credit losses are recognised for trade and other receivables. In the event of a significant increase in credit risk, an allowance (or provision) is required for expected credit losses resulting from all possible default events over the expected life of the financial instrument.

3. Significant accounting policies (continued)

Financial instruments – current year (continued)

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and other receivables fall into this category of financial instruments.

Financial liabilities are derecognised when they are extinguished. This occurs when the obligation specified in the contract is discharged, cancelled or expires. As the accounting for financial liabilities remains largely the same under IFRS 9 compared to IAS 39, the Company's financial liabilities were not impacted by the adoption of IFRS 9.

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.

(i) Trade receivables

Trade receivables are classified with current assets and are stated at their nominal value The Company makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument In calculating, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

(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 – prior year

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.

3. Significant accounting policies (continued)

Impairment – prior year (continued)

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

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.

Impairment – current year

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaces IAS 39's 'incurred loss model'. Instruments within the scope of the new requirements include trade and other receivables.

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

3. Significant accounting policies (continued)

Impairment – current year (continued)

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

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

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

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

IFRS 9 requires an assessment of the extent of increase in credit risk of a financial instrument since initial recognition. In this regard, IFRS 9 introduces a rebuttable presumption that credit risk is deemed to have significantly increased if an amount is 30 days past due. If a financial instrument has low credit risk (equivalent to investment grade quality), then an entity may assume no significant increases in credit risk have occurred Assessment for such credit risk, is performed by considering the change in the risk of default occurring over the remaining life of the financial instrument. As a result, the definition of default is important. IFRS 9 does not specifically define default, but requires it to be applied on a consistent basis with internal credit risk management practice for the relevant instruments and requires consideration of qualitative factors where appropriate. In addition, IFRS 9 also introduces a rebuttable presumption that default does not occur later than when a financial asset is 90 days past due unless there is reasonable and supportable information to demonstrate that a more lagging criterion is more appropriate.

Revenue recognition – prior year

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 on bank balances 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.

3. Significant accounting policies (continued)

Revenue recognition – current year

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.

To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by effecting the promised services to its customers.

The following specific recognition criteria must also be met before revenue is recognised:

i. Interest income

Interest income on bank balances 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 in line with the above 5-step process as per IFRS 15

3. **Significant accounting policies (continued)**

Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued.

Retained earnings includes all current and prior period retained profits.

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

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.

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.

3. Significant accounting policies (continued)

Taxation (continued)

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.

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. Initial application of an International Financial Reporting Standard and International Financial Reporting Standards in issue but not yet effective

Initial application of an International Financial Reporting Standard

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

- The July 2014 amendments to 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.

5. Initial application of an International Financial Reporting Standard and International Financial Reporting Standards in issue but not yet effective (continued)

Initial application of an International Financial Reporting Standard (continued)

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

This amendment was effective 1 January 2018.

When adopting IFRS 9, the Company has applied transitional relief and opted not to restate prior periods There were no differences arising from the adoption of IFRS 9 in relation to classification, measurement, and impairment during the year.

The adoption of IFRS 9 has impacted the following area:

- The impairment of financial assets applying the expected credit loss model. For contract assets arising from IFRS 15 and trade receivables, the Group applies a simplified model of recognising lifetime expected credit losses as these items do not have a significant financing component.

On the date of initial application, 1 January 2018, the financial instruments of the Company were classified as follows.

	Measurement category		***Carrying amount***		
	Original IAS 39 category	**New IFRS 9 category**	**Closing balance 31/01/17**	**Adoption of IFRS 9**	**Opening balance 01/01/18**
			EUR	**EUR**	**EUR**
Trade and other receivables	Loans and receivables	Amortised cost	371,902	-	371,902
Cash and cash equivalents	Loans and receivables	Amortised cost	76,615	-	76,615
Other financial liabilities	Loans and receivables	Amortised cost	116,091	-	116,091

In view of the above, Statement of financial position balances remained the same as at 1 January 2018 as there was no impact arising from the adoption of IFRS9.

5. Initial application of an International Financial Reporting Standard and International Financial Reporting Standards in issue but not yet effective (continued)

Initial application of an International Financial Reporting Standard (continued)

- The May 2015 amendments to IFRS 15 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. This amendment is effective for periods beginning on or after 1 January 2018

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

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:

- IFRS 16 will replace IAS 17 'Leases' and three related Interpretations. It completes the IASB's long running project to overhaul lease accounting. Leases will be recorded in the statement of financial position in the form of a right-of-use asset and a lease liability. There are two important reliefs provided by IFRS 16 for assets of low value and short-term leases of less than 12 months.

  IFRS 16 is effective from periods beginning on or after 1 January 2019. Early adoption is permitted; however, the Company have decided not to early adopt.

  The Directors believe that the introduction of such IFRS will not result in any significant impact on these financial statements.

6. Revenue

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

	2018 EUR	2017 EUR
Administration fees	**939,930**	788,014
Directors' fees	**72,168**	70,788
Financial statements preparation fees	**127,885**	90,886
Other fees	**149,004**	82,555
	1,288,987	1,032,243

7. Profit before tax

	2018 EUR	2017 EUR
This is stated after charging:		
Auditors' remuneration	**5,000**	5,000
Amortisation	**1,652**	1,652
Depreciation	**2,101**	3,376

8. Key management personnel compensation

	2018 EUR	2017 EUR
Directors' compensation		
Short-term benefits.		
Management remuneration	**45,725**	49,239

9. Staff costs and employee information

	2018 EUR	2017 EUR
Staff costs:		
Salary cost recharged by related party	**590,723**	474,435

10. Income tax expense

	2017 **EUR**	2016 EUR
Current tax expense	**117,457**	80,438
Deferred tax expense	**147**	147
	117,604	80,585

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

	2018 **EUR**	2017 EUR
Profit before tax	**336,027**	230,253
Tax at the applıcable rate of 35%	**117,609**	80,588
Tax effect of.		
Income taxed at 15%	**(5)**	(3)
Income tax expense for the year	**117,604**	80,585

11. Intangible assets

	Software EUR
Cost	
At 01 01 2017	-
Additions	6,608
At 01.01.2018	6,608
Additions	-
At 31.12 2018	6,608
Accumulated amortisation	
At 01 01 2017	-
Provision for the year	1,652
At 01 01.2018	1,652
Provision for the year	1,652
At 31.12.2018	3,304
Carrying amount	
At 01.01.2018	4,956
At 31.12.2018	**3,304**

12. Furniture and office equipment

	Furniture and office equipment EUR
Cost	
At 01.01.2017	30,942
Additions	-
At 01 01.2018	30,942
Additions	-
At 31.12 2018	30,942
Accumulated depreciation	
At 01.01.2017	17,347
Provision for the year	3,376
At 01.01.2018	20,723
Provision for the year	2,100
At 31.12 2018	22,823
Carrying amount	
At 01.01.2018	10,219
At 31.12.2018	**8,119**

13. Trade and other receivables

	2018 EUR	2017 EUR
Accrued income	**480,419**	348,252
Receivables from other related parties	**92,142**	-
Prepayments	**24,820**	23,253
Other receivables	**1,039**	397
	598,420	371,902

All amounts are short-term. The net carrying value of other receivables is considered a reasonable approximation of fair value. Receivable from related parties are unsecured, interest free and expected to be paid within six months. The effect of any discounting is not significant. All of the Company's receivables in the comparative periods have been reviewed for indicators of impairment, with no specific indicators from customers in the business-to-business market that are experiencing financial difficulties. Further details on receivables from related party balances are provided in note 18 to these financial statements.

14. Trade and other payables

	2018 EUR	2017 EUR
Other payables	**7,201**	4,001
Accruals and deferred income	**153,176**	125,754
	160,377	129,755

15. Other financial liabilities

	2018 EUR	2017 EUR
Amounts owed to related companies	**117,453**	116,091

The carrying values of trade payables are considered to be a reasonable approximation of fair value Amounts owed to related parties are unsecured, interest free and expected to be paid within six months. 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	2018 and 2017 Issued and called up EUR
50,000 ordinary shares of EUR1 each (5,000 of which have been issued and called up)	**50,000**	**5,000**

17. Cash and cash equivalents

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

	2018 EUR	2017 EUR
Cash at bank and on hand	**31,728**	76,615

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

18. Related party disclosures

The immediate parent and ultimate controlling party of CC Fund Services (Malta) 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	**2018**	***20%*** **- 263,402**	**-**	**-**	**-**
	2017	*18%* - 187,681	-	-	-
Calamatta Cuschieri Investment Serv. Ltd	**2018**	**-**	**2,000**	**62,450**	**-**
	2017	-	-	-	116,091
FinanceStack Limited	**2018**	**-**	**29,500**	**-**	**117,453**
	2017	-	29,500	-	-
Brand and Pepper Limited	**2018**	**-**	**369**	**-**	**-**
	2017	-	8,986	-	-
CC Funds Holdings Limited	**2018**	**-**	**-**	**29,692**	**-**
	2017	-	-	-	-

During the current year, the Company claimed EUR117,453 (2017: NIL) in group tax losses from group undertakings.

18. Related party disclosures (continued)

The balances with 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.

19. Fair values of financial assets and financial liabilities

At 31 December 2018 and 2017 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.

20. Financial risk management (continued)

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's policy is to deal only with credit worthy counterparties. The Company applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component. In measuring the expected credit losses with respect to trade receivables, the Company uses the probability of default and loss given default through assessing them on a collective basis as they possess shared credit risk characteristics. Management uses historical analysis, external indicators and forward looking information in determining any expected credit loss. Historical analysis are based on the payment profile for sales over the past 36 months before 31 December 2018 and 1 January respectively in which period there were no defaults. The overall economic situation of the Maltese economy which has been affirmed at 'A+' through a reputable external credit rating agency (Fitch) is a positive external indicator in our assessment. Further to this, in applying the Risk Free rate for discounting on Financial Instruments, based on the 10 Year Malta Government Stock Yield, no loss allowance has been recognized as this would be wholly insignificant to the Company.

The Company's cash and cash equivalents are held with a local financial institution with high quality rating (rated "BBB" by the international rating agency Fitch), considered by management as "investment grade". The Company will apply the low credit risk simplification allowed by IFRS 9, through which such balances will be classified within 'stage 1' without the requirement to carry out an assessment of whether there has been a significant increase in credit risk. The Directors have however determined that the high quality of the financial institution is such that the adoption of IFRS 9 will not have a material impact on the net carrying amount of these financial assets.

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 considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The Company's existing cash resources and trade receivables (see Note 13) significantly exceed the current cash outflow requirements.

20. Financial risk management (continued)

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 is 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.

Foreign currency sensitivity

Most of the Company's transactions are carried out in EUR. Exposures to currency exchange rates arise from the Company's invoicing of USD denominated Funds. To mitigate the Company's exposure to foreign currency risk, such instances are kept to a minimum and only in one off instances business clients are invoiced in USD. The majority of USD denominated funds are invoiced in Euro. USD exposures are kept at minimal levels whereby once amounts due by business clients have been settled, these are immediately converted to Euro.

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.

Deloitte.

Deloitte Audit Limited
Deloitte Place
Mriehel Bypass
Mriehel BKR 3000
Malta

Tel +356 2343 2000, 2134 5000
Fax +356 2133 2606
info@deloitte com mt
www deloitte com/mt

Company Ref No C51312
VAT Reg No MT2013 6121
Exemption number EXO2155

Independent auditor's report

to the members of
CC Fund Services (Malta) Limited
(formerly Calamatta Cuschieri Fund Services Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of CC Fund Services (Malta) Limited (formerly Calamatta Cuschieri Fund Services Limited) (the Company), set out on pages 3 to 28, which comprise the statement of financial position as at 31 December 2018 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 2018 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 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 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.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities DTTL and each of its member firms are legally separate and independent entities DTTL (also referred to as "Deloitte Global") does not provide services to clients Please see www deloitte com/about to learn more about our global network of member firms

Deloitte Malta refers to a civil partnership, constituted between limited liability companies, and its affiliated operating entities Deloitte Services Limited, Deloitte Technology Solutions Limited, Deloitte Digital & Technology Limited, Alert Communications Limited, Deloitte Technology Limited, and Deloitte Audit Limited The latter is authorised to provide audit services in Malta in terms of the Accountancy Profession Act. A list of the corporate partners, as well as the principals authorised to sign reports on behalf of the firm, is available at www deloitte com/mt/about

Cassar Torregiani & Associates is a firm of advocates warranted to practise law in Malta and is exclusively authorised to provide legal services in Malta under the Deloitte brand

Deloitte.

Independent auditor's report (continued)

to the members of
CC Fund Services (Malta) Limited
(formerly 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.

Deloitte.

Independent auditor's report (continued)

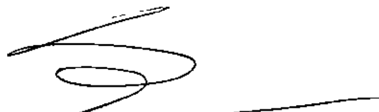
to the members of
CC Fund Services (Malta) Limited
(formerly Calamatta Cuschieri Fund Services Limited)

Report on Other Legal and Regulatory Requirements

Under the 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

30 April 2019