

## **Octopus AIF Management Limited**

**Annual report and financial statements**

**For the year ended 30 April 2018**

Registered number: 08802172



**COMPANY INFORMATION**

**Directors**  
A J Seabright  
A R Harrison (Resigned 1 Feb 2018)  
C R Hulatt  
E Lederman (Appointed 1 Dec 2017)  
C Koppen (Appointed 2 Aug 2017)

**Company Secretary**  
N Board (Resigned 9 Apr 2018)  
P Kanani (Appointment 9 Apr 2018)

**Company Number** 08802172

**Registered Office**  
6<sup>th</sup> Floor  
33 Holborn  
London  
EC1N 2HT

**Auditor**  
Deloitte LLP  
1 New Street Square  
London  
United Kingdom  
EC4A 3HQ

**Bankers**  
HSBC plc  
31 Holborn  
London  
EC1N 2HR

Table of Contents

	<b>Page</b>
<b>Directors' Report .....</b>	<b>4</b>
<b>Strategic Report.....</b>	<b>6</b>
<b>Directors' Responsibilities Statement .....</b>	<b>8</b>
<b>Independent Auditor's Report.....</b>	<b>9</b>
<b>Financial Statements .....</b>	<b>12</b>
Statement of Comprehensive Income .....	12
Balance Sheet .....	13
Statement of Changes in Equity .....	14
<b>Notes to the Financial Statements.....</b>	<b>15-18</b>
<b>Alternative Investment Fund Managers Disclosure.....</b>	<b>19</b>

## **DIRECTORS' REPORT**

For the year ended 30 April 2018

The directors present their annual report on the affairs of Octopus AIF Management Limited ("the Company"), a company regulated by the Financial Conduct Authority ("FCA"), together with the financial statements and auditor's report, for year ended 30 April 2018.

### **Going concern**

The Company has considerable financial resources together with long-term agreements with the funds it manages across different asset classes. Expenses are minimal in comparison to revenue largely as a result of staff costs being borne ultimately by Octopus Investments Limited. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least twelve months from the date of signing of financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### **Dividends**

The Directors paid a dividend to its parent company, Octopus Capital Limited, of £5,300,027 during the year (2017: £4,936,025).

### **Reduced disclosure**

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. The notable area of disclosure which will be affected is related party disclosures, and the cash flow statement: these will be disclosed in the annual accounts of the Company's parent company, Octopus Capital Limited, but not the Company or other subsidiary companies who will adopt the exemption to disclose in its own accounts.

### **Directors**

The directors who served throughout the period were as follows:

A J Seabright

A R Harrison (Resigned 1 Feb 2018)

C R Hulatt

E Lederman (Appointed 1 Dec 2017)

C Koppen (Appointed 2 Aug 2017)

### **Director's indemnities**

The Company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

### **Future developments**

Details of future developments can be found in the Strategic Report on page 6.

### **Financial risk management objectives and policies**

Details of Financial risk management objectives and policies can be found in the Strategic Report on page 6.

**DIRECTORS' REPORT (continued)**

For the year ended 30 April 2017

**Auditor**

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have indicated their willingness to be reappointed for another term and a resolution to reappoint them will be proposed at the next Annual General Meeting.

Approved by the Board and signed on its behalf by:



C R Hulatt  
Director

14 August 2018

Registered Office:  
33 Holborn  
London, EC1N 2HT

## STRATEGIC REPORT

For the year ended 30 April 2018

### Principal activities

The principal activity of the Company during the year was that of fund management.

### Business review and key performance indicators

The results for the Company show a pre-tax profit of £18,484,614 (2017: £5,657,254) for the period and turnover of £20,226,422 (2017: £5,726,921) for the year.

During the year the Company paid a dividend to its parent company, Octopus Capital Limited, of £5,300,027 (2017: £4,936,025). There were no significant events requiring disclosure in the financial statements after the balance sheet date.

### Principal risks and uncertainties

The Management Committee identifies, assesses and manages risks associated with the Company's business objectives and strategy. Risks arise from external sources, those which are inherent commercial risks in the market place and business and from operational risks contained within the systems and processes employed within the business.

#### *External Risks*

External risks can arise from changes to the political, legal and regulatory environment. Octopus runs several products that provide tax benefits to investors and changes to the underlying legislation could make a product more or less appealing. The Management Committee and relevant investment teams ensure that they have a detailed understanding of current tax legislation and are aware of evolving HMRC rules. Furthermore, the Management Committee are assessing the potential implications of the UK's Brexit decision, and how this may affect the Company.

#### *Operational Risk*

Operational risk arises from a weakness or failure in a business's systems and controls. Octopus relies on efficient and well-controlled processes. The potential impact and likelihood of processes failing, and operational risk materialising is assessed on a regular basis. Where these likelihoods are felt to be outside of the directors' appetite for risk, management actions and/or control improvements are identified in order to bring each potential risk back to within acceptable levels. Octopus also has a disaster recovery plan in place covering current business requirements.

#### *Business Risk*

The majority of the Company's revenues are derived from investment management fees which can vary depending upon the performance of the underlying funds. Octopus operates in the highly competitive financial services market. This encompasses issues such as the availability of assets for investment across the industry and reputational issues that affect the sector as a whole.

The reputation of the business is one of Octopus' most important assets since it operates in an industry where customer trust and confidence are key. There is a system of internal controls which seek to ensure that events which would damage the reputation of the business are prevented. Management is active in seeking knowledge on changes to the business environment which may have an impact on the way Octopus does business.

#### *Credit risk*

The Company's principal financial assets are bank balances and cash, trade and other receivables, and investments. The credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by credit agencies.

## **STRATEGIC REPORT (continued)**

For the year ended 30 April 2018

### *Liquidity risk*

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term bank deposits.

### **Regulatory Disclosures**

#### *Pillar III Disclosure*

The Company has documented the Pillar III disclosures required by the FCA under BIPRU 11. These are available on the Octopus website or from the registered office.

#### *Key Performance Indicator Return on Investments Disclosure*

The Company has calculated its return on assets as required by the FCA under IFPRU 9.1.3. Its return on net assets is 114% for the year (2017: 97%)

### **Future developments**

The directors expect the general level of activity to grow, consistent with 2018, in the forthcoming year. This is as a result of a continuing success of the existing product range, and an expansion of the product range.

Approved by the Board and signed on its behalf by:



C R Hulatt  
Director  
14 August 2018

Registered Office:  
33 Holborn  
London, EC1N 2HT

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

For the year ended 30 April 2018

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OCTOPUS AIF MANAGEMENT LIMITED**

### **Opinion**

In our opinion the financial statements of Octopus AIF Management Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 April 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of the Company which comprise:

- the Statement of Comprehensive Income;
- the Balance Sheet;
- the Statement of Changes in Equity and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

## **INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF OCTOPUS AIF MANAGEMENT LIMITED (continued).**

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF OCTOPUS AIF MANAGEMENT LIMITED  
(continued).**

**Report on Other legal and regulatory requirements**

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or directors' report.

**Matters on which we are required to report by exception**

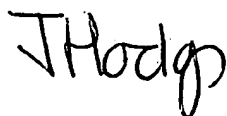
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jessica Hodges (Senior statutory auditor)

for and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

14 August 2018

# STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 April 2018

		2018	2017
	Note	£	£
<b>TURNOVER</b>	1	20,226,422	5,726,921
Cost of sales	4	(1,729,393)	
<b>GROSS PROFIT</b>		18,497,029	5,726,921
Administrative expenses		(12,415)	(69,667)
<b>PROFIT BEFORE TAXATION</b>		18,484,614	5,657,254
Tax on profit	5	(3,512,077)	(2,251,939)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		14,972,537	3,405,315

All amounts relate to continuing operations.

The notes on pages 15 to 18 form part of these financial statements.

**BALANCE SHEET**

As at 30 April 2018

		2018	2017
	Note	£	£
<b>CURRENT ASSETS</b>			
Debtors – due within one year	6	7,843,883	4,019,794
Cash at bank		12,192,643	2,148,889
<b>CREDITORS: amounts falling due within one year</b>	7	(6,861,459)	(2,666,126)
<b>NET CURRENT ASSETS</b>		13,175,067	3,502,557
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		13,175,067	3,502,557
<b>NET ASSETS</b>		13,175,067	3,502,557
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	2,000	2,000
Share premium		198,000	198,000
Profit and loss account		12,975,067	3,302,557
<b>SHAREHOLDER'S FUNDS</b>		13,175,067	3,502,557

The financial statements of Octopus AIF Management Limited (registered number: 08802172) were approved by the Board of Directors and authorised for issue on 14 August 2018. They were signed on its behalf by:



C R Hulatt  
Director

The notes on pages 15 to 18 form part of these financial statements.

# STATEMENT OF CHANGES IN EQUITY

For the year ended 30 April 2018

	Called-up share capital	Share premium	Profit and loss account	Total
	£	£	£	£
<b>At 30 April 2016</b>	2,000	198,000	4,833,267	5,033,267
Dividends paid	-	-	(4,936,025)	(4,936,025)
Total profit for the financial year	-	-	3,405,315	3,405,315
<b>At 30 April 2017</b>	2,000	198,000	3,302,557	3,502,557
Dividends paid	-	-	(5,300,027)	(5,300,027)
Total profit for the financial year	-	-	14,972,537	14,972,537
<b>At 30 April 2018</b>	2,000	198,000	12,975,067	13,175,067

The notes on pages 15 to 18 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 April 2018

### 1. General information

Octopus AIF Management Limited is a company incorporated in the United Kingdom under the Companies Act. The Company is a private company limited by shares and is registered in England and Wales. The address of the registered office is given on page 2. The nature of the Company's operations and its principal activities are set out in the strategic report on page 6. The functional currency of Octopus AIF Management Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are also presented in pounds sterling.

### Accounting Policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

### Basis of accounting and preparation of financial statements

The financial statements have been prepared under the historical cost, and in accordance with Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company is consolidated in the financial statements of its ultimate parent, Octopus Capital Limited, which may be obtained from the Secretary, Octopus Capital Limited, 6th floor 33 Holborn, London, EC1N 2HT. Exemptions have been taken in these Company financial statements in relation to the presentation of a cash flow statement, financial instruments and related party transactions with other group entities.

### Going concern

The financial statements have been prepared using the going concern basis of accounting. See Directors' Report at page 4.

The directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for at least twelve months from the date of signing of these financial statements. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

### Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets and liabilities are not discounted.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 30 April 2018

### 1. Accounting Policies (continued)

#### Turnover

Turnover comprises revenue which is recognised to the extent that it is probable that economic benefits will flow to the Company and such revenue can be reliably measured. Revenue represents amounts receivable for services provided in the normal course of business, net of VAT, and includes management fees, initial fees and performance fees. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Fees earned from the ongoing management of funds are recognised on an accruals basis to the extent that it is probable that there will be economic benefit and the income can be reliably measured.

Turnover is all generated by one segment, that of fund manager, and in the UK, hence no segmental or geographical analysis is required. An analysis of the Company's turnover is set out below:

	2018	2017
	£	£
Fund management	20,226,422	5,726,921

#### Cost of sales

The company has cost of sales that have arose from a flow through of revenue from a fund that it has become the manager of in the year.

#### Administrative expenses

Expenses are accounted for on an accrual basis and charged through the profit and loss account.

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs) and classified as debt instruments in the Company's financial statements. These are subsequently measured at amortised cost.

#### Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

No critical judgements were made by the directors in the process of applying the Company's accounting policies.

### 2. Staff Costs

The company has no employees other than the directors; the executive directors did not receive any remuneration for services provided to the company.



**NOTES TO THE FINANCIAL STATEMENTS (continued)**

For the year ended 30 April 2018

**3. Audit Costs**

The fee for the financial statement audit of the company is £6,000 (2017: £5,650). The auditor's remuneration, is borne by Octopus Investments Limited, a subsidiary of the parent company.

**4. Cost of sales**

	2018 £	2017 £
Management fee payable	1,729,393	-

**5. Tax on profit**

The tax charge comprises:

	2018 £	2017 £
Tax on profit	<u>3,512,077</u>	<u>2,251,939</u>

**Factors affecting tax charge for the year**

Reductions in the UK corporation tax rate to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. An additional reduction to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2016. This will reduce the Company's future current tax charge accordingly. The deferred tax assets and liabilities at 30 April 2018 have been calculated based on these rates.

	2018 £	2017 £
Profit before tax	<u>18,484,614</u>	<u>5,657,254</u>
Tax on profit at UK corporation tax rate of 19% (2017: 19.9%)	3,512,077	1,125,794
Effects of:		
Adjustments from previous periods	-	1,126,145
<b>Current tax charge for the period</b>	<u><u>3,512,077</u></u>	<u><u>2,251,939</u></u>

**6. Debtors**

	2018 £	2017 £
<b>Due within one year</b>		
Trade debtors	1,774,944	165,809
Prepayments and accrued income	<u>6,068,939</u>	<u>3,853,985</u>
	<u>7,843,883</u>	<u>4,019,794</u>

Debtors are interest free, unsecured and repayable on demand.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

For the year ended 30 April 2018

**7. Creditors**

	2018	2017
	£	£
Trade Creditors	565,273	3,750
Amounts owed to group companies	2,546,415	-
Accruals & deferred income	237,694	95,816
Corporation Tax	3,512,077	2,566,560
	<u>6,861,459</u>	<u>2,666,126</u>

Creditors are interest free, unsecured and repayable on demand.

**8. Called-Up Share Capital**

	2018	2017
	£	£
<b>Allotted, called-up and unpaid</b>		
200,001 Ordinary shares of 1p each	<u>2,000</u>	<u>2,000</u>

The Company did not issue any ordinary shares in the current year (2017: nil).

**9. Related Party Transactions**

The company has taken advantage of the exemption in paragraph 33.1A of FRS 102 not to disclose transactions with wholly owned Group companies wherein any subsidiary undertaking which is a party to the transactions is wholly-owned by a member of the Group.

**10. Ultimate Parent Undertaking and Controlling Party**

The immediate and ultimate parent company and ultimate controlling party is Octopus Capital Limited, a company incorporated in the United Kingdom and registered in England and Wales which is the smallest and largest level of consolidated accounts that are prepared. Copies of these accounts can be obtained from the registered office of Octopus Capital Limited: The Secretary, Octopus Capital Limited, 33 Holborn, London, EC1N 2HT.

**11. Subsequent Events**

On 1 May 2018 the company approved an intercompany loan of £12m to be made to its parent, Octopus Capital. The loan has no interest and is unsecured. The loan is expected to be repaid to Octopus AIF Management Ltd in August, but in the unforeseen event that the company requires the funds and were to incur any unexpected costs then the funds would be repaid immediately on request.

### Alternative Investment Fund Managers Disclosure (Unaudited)

The Company paid the following remuneration to staff in respect of the financial period from 1 May 2017 to 30 April 2018. Octopus Capital Limited (the "Group") at the period end employed 527 staff globally. These staff work on a number of mandates and funds across the Group which include those managed by the Company and those managed by Octopus Investments Limited. The total remuneration stated below is the full remuneration awarded to the 6 staff whose work included an element of work in relation to the Company and includes remuneration received for all work undertaken irrespective of whether it relates to work performed for the Company or work performed for Octopus Investments Limited (or other Group entities).

	2018 £	2017 £
Fixed remuneration	963,557	940,916
Variable remuneration	700,102	805,517
Total remunerations	<u>1,663,659</u>	<u>1,746,433</u>
Number of beneficiaries	6	6

It is not possible to attribute remuneration paid to individual staff directly to any individual fund.

Staff are employed by Octopus Investments Limited with their services being provided to the different companies within the Group as part of intercompany agreements, including the Company. There are no remuneration costs in the Statement of Comprehensive Income of the Company. Remuneration costs are borne ultimately by Octopus Investments Limited.