

IFSWF Limited

Company registration no. 09060589

IFSWF Limited

Reports and Financial Statements

Financial Year ended 31 December 2016



IFSWE Limited

Reports and financial statements 2016

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IFSWF Limited

Reports and financial statements 2016

Officers and professional advisers

Directors

A B Orr
M S K R Al Romaithi
A B M B S Al-Thani
K Li
D Ong Aun Nee

Registered office

27 Clements Lane
Clement's Lane
London
England
EC4N 7AE

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants & Statutory Auditors
1 Embankment Place
London
WC2N 6RH

Accountants

Ecovis Wingrave Yeats UK Limited
Waverley House
7-12 Noel Street
London
W1F 8GQ

IFSWF Limited

Directors' report

The directors present their report and audited financial statements for the year ended 31 December 2016 for IFSWF Limited (the "Company").

Principal activities

The principal activity of International Forum of Sovereign Wealth Funds (IFSWF) Limited during the year ended 31 December 2016 was to encourage appropriate governance and accountability arrangements and sound, prudent conduct of investment practices of all IFSWF members.

Business review

The Company has made a loss in the year of £125,081 (2015: profit of £176,758) and has net assets of £1,396,252 (2015: £1,521,333) at the balance sheet date.

At the year end, The IFSWF had 30 member funds, including one associate member, from 28 countries spanning the entire globe.

The Company added 1 new member in the year (2015: 0 new members). The loss for the year was driven by continued investment in personnel and other support services as part of the directors' long term strategy for the Company.

Outlook

The directors do not anticipate any significant changes in the activities of the Company and have further planned investments in 2017 to enhance the Company's support activities.

Going concern

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

A B Orr
M S K R Al Romaithi
A B M B S Al-Thani
K Li
D Ong Aun Nee

Political and charitable contributions

The Company made no political or charitable contributions or incurred any political expenditure during the year.

Financial risk management

The only material risk to the business of the Company is a very rapid reduction in the number of members. At the date of signing the financial statements, there are currently 32 members of IFSWF Limited, all of which are Sovereign Wealth Funds owned by Governments. The members created the Santiago Principles, which govern the way members operate and also created the IFSWF as the governing body. Given this combination of Government-backing together with responsibility for creating the organisation, the prospect of mass resignation by members is remote. To mitigate financial risk, the Company holds reserves equivalent to approximately 12 months operating expenses with a plan to increase this in 2018-2020 to 18 months through efficiency measures.

IFSWF Limited

Directors' report (continued)

Small companies' exemption

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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 prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union 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.

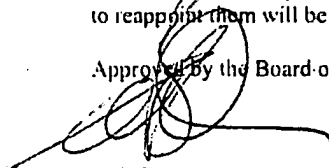
Each of the persons who are a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are 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 auditors are aware of that information.

Independent auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board:



A B Orr

Director

5 September 2017



Duncan Bonfield

Chief Executive

IFSWF Limited

Independent auditors' report to the members of IFSWF Limited

Report on the financial statements

Our opinion

In our opinion, IFSWF Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of financial position as at 31 December 2016;
- the Statement of comprehensive income for the year then ended;
- the Statement of cash flows for the year then ended;
- the Statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is IFRSs as adopted by the European Union, and applicable law.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

IFSWF Limited

Independent auditors' report (continued)

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Directors' Report, we consider whether this report includes the disclosures required by applicable legal requirements.

Gemma Clark

Gemma Clark (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

5 September 2017

IFSWF Limited

Statement of comprehensive income Year ended 31 December 2016

	<i>Note</i>	2016 £	2015 £
Revenue	2	920,003	904,796
Cost of sales		-	-
Gross profit		920,003	904,796
Administrative expenses		(1,045,084)	(728,038)
(Loss)/profit from operations	1.12	(125,081)	176,758
(Loss)/profit before taxation		(125,081)	176,758
Taxation	6	-	-
(Loss)/profit for the year		(125,081)	176,758
Other comprehensive income		-	-
Total comprehensive (expense)/income for the year		(125,081)	176,758

The accompanying notes are integral part of this Statement of comprehensive income for the year ended 31 December 2016 and the Company did not have any items of other comprehensive income. All results relate to continuing operations.

IFSWE Limited

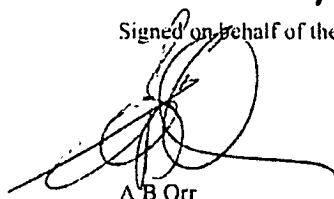
Statement of financial position As at 31 December 2016

		2016	2015
	Note	£	£
Current assets			
Cash and cash equivalents		1,383,473	1,498,657
Trade and other receivables	3	79,522	10,247
Total current assets		<u>1,462,995</u>	<u>1,508,904</u>
Non-current asset	3	<u>-</u>	<u>19,780</u>
Total assets		<u>1,462,995</u>	<u>1,528,684</u>
Total equity			
(Accumulated losses)/retained earnings		(76,932)	48,149
Capital introduced		<u>1,473,184</u>	<u>1,473,184</u>
		<u>1,396,252</u>	<u>1,521,333</u>
Current liabilities			
Trade and other payables	5	<u>66,743</u>	<u>7,351</u>
Total liabilities		<u>66,743</u>	<u>7,351</u>
Total equity and liabilities		<u>1,462,995</u>	<u>1,528,684</u>

The accompanying notes are an integral part of this Statement of financial position.

The financial statements of IFSWE Limited, registered number 09060589, were approved by the Board of Directors on 5 September 2017.

Signed on behalf of the Board of Directors



A B Orr

Director



Duncan Bonfield

Chief Executive

IFSWF Limited

Statement of changes in equity Year ended 31 December 2016

	Capital introduced £	Retained earnings/ (Accumulated losses) £	Total equity £
At 1 January 2016	1,473,184	48,149	1,521,333
Capital introduced	-	-	-
Loss and total comprehensive income for the year	-	(125,081)	(125,081)
At 31 December 2016	1,473,184	(76,932)	1,396,252

Statement of changes in equity Year ended 31 December 2015

	Capital introduced £	(Accumulated losses)/ Retained earnings £	Total equity £
At 1 January 2015	588,990	(128,609)	460,381
Capital introduced	884,194	-	884,194
Profit and total comprehensive income for the year	-	176,758	176,758
At 31 December 2015	1,473,184	48,149	1,521,333

IFSWF Limited

Statement of cash flows Year ended 31 December 2016

	2016 £	2015 £
Cash flows from operating activities		
(Loss)/profit before taxation	(125,081)	176,758
Adjustments for :		
(Increase)/decrease in trade and other receivables	(49,495)	116,378
Increase/(decrease) in trade and other payables	59,392	(86,899)
Net cash (outflow)/inflow from operating activities	(115,184)	206,237
Cash flows from financing activities		
Capital introduced (note 4)	-	884,194
Net cash inflow from financing activities	-	884,194
Cash in and cash equivalents		
Cash and cash equivalents at the beginning of the year	1,498,657	408,226
Cash and cash equivalents at end of the year	1,383,473	1,498,657

IFSWF Limited

Notes to the financial statements Year ended 31 December 2016

1. Accounting policies

IFSWF Limited (the "Company") is a private company, limited by guarantee, incorporated in the United Kingdom. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Basis of preparation

The financial statements are presented in pounds sterling. They are prepared on the historical cost basis. These financial statements have been prepared in accordance with Companies Act 2006 applicable to companies reporting under International Financial Reporting Standards ("IFRS") adopted by the European Union ("EU").

The preparation of financial statements in conformity with IFRS which requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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 year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

1.2 Measurement convention

The financial statements are prepared on the historical cost basis. Non-current assets and disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell.

1.3 Going concern

The directors have considered the financial resources available along with the future plans for the company when considering the going concern of the company. After making enquiries, the directors have a reasonable expectation that the company will have access to adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

1.4 Revenue

Revenue represents amounts received as donations from the City of London Corporation and membership fees. Revenue is recognised in line with costs incurred that have been incurred, and relating to the financial period.

1.5 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income. Non monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value was determined.

IFSWF Limited

Notes to the financial statements Year ended 31 December 2016 (continued)

1. Accounting policies (continued)

1.6 Loan receivables and payables

Long term loans are initially measured at fair value net of transaction costs.

1.7 Trade and other receivables

Trade and other receivables at the statement of financial position date are stated at amortised cost which approximates to cost less impairment losses.

1.8 Trade and other payables

Trade and other payables are stated at amortised cost which approximates to cost.

1.9 Taxation

No tax charge has arisen due to the Company's principal activity being outside the scope of corporation tax.

1.10 New and amended standards adopted by the company

There are no new or amended standards which have an impact on the Company.

1.11 New standards and interpretations not yet adopted

The following standards have been issued and are effective for future accounting periods:

- IFRS 9 'Financial instruments' (effective for accounting periods beginning on or after 1 January 2018)
- IFRS 15 'Revenue from contracts with customers' (effective for accounting periods beginning on or after 1 January 2018)
- IFRS 16 'Leases' (effective for accounting periods beginning on or after 1 January 2019)

Management is currently assessing the likely impact that these new standards may have on the Company's financial statements, however this is not expected to be significant.

1.12 (Loss)/profit from operations

(Loss)/profit from operations is calculated after charging:

	2016	2015
	£	£
Employment costs	555,626	521,285
Audit fees	3,500	3,500
Operating lease payments	131,650	122,780

IFSWF Limited

Notes to the financial statements Year ended 31 December 2016 (continued)

1.13 Employee costs and directors' remuneration

The directors received no remunerations from the Company for services during the year (2015: nil).
The average number of employees employed by the company during the year was 4 (2015: 3).

	2016	2015
	£	£
Wages and salaries	495,499	431,641
Social security costs	60,127	89,644
Total employee expense	<u>555,626</u>	<u>521,285</u>

2. Revenue

An analysis of turnover by class of business is as follows:

	2016	2015
	£	£
Membership contributions	797,393	754,766
Donations received	122,610	150,030
	<u>920,003</u>	<u>904,796</u>

An analysis of turnover by geographical market is as follows:

	2016	2015
	£	£
United Kingdom	122,610	150,030
EU	38,000	38,000
Non-EU	759,393	716,766
	<u>920,003</u>	<u>904,796</u>

3. Trade and other receivables

	2016	2015
	£	£
Due within one year		
Accounts receivable	-	-
Prepayments	32,100	-
VAT recoverable	17,302	10,247
Deposits	30,120	-
	<u>79,522</u>	<u>10,247</u>
Due in more than one year		
Deposits	-	19,780
	<u>-</u>	<u>19,780</u>

Included within the prior year's receivables due in more than one year is a service retainer paid in relation to the leasehold property, this is now due within one year. Included within the receivable balances is a trade receivable of £32,000 which has been fully provided against (2015: £nil).

IFSWF Limited

Notes to the financial statements Year ended 31 December 2016 (continued)

4. Capital introduced

	2016 £	2015 £
Capital introduced during the year	-	884,194
	-	884,194

During the prior year, the Company received a capital transfer from International Monetary Fund in relation to accumulated membership fees. The transfer will not be repaid and is treated as equity in these financial statements.

5. Trade and other payables

	2016 £	2015 £
Accounts payable	54,927	-
Other creditors	1,316	551
Accruals	10,500	6,800
	66,743	7,351

6. Taxation

No tax charge has arisen due to the Company's principal activity being outside the scope of corporation tax (2015: £nil).

7. Related parties

During the year the Company entered into no transactions with related parties except for the membership fees from members. The key management personnel is considered to be only the directors. None of the directors were remunerated for their services to the company during the year (2015: none).

8. Members' liability and voting rights

IFSWF Limited is a private company, limited by guarantee and has no share capital.

Every member of the company undertakes to contribute to the assets of the company, in the event of winding up, such an amount as may be required not exceeding £1.

IFSWF Limited

Notes to the financial statements Year ended 31 December 2016 (continued)

9. Operating lease commitments

At 31 December, the Company had future minimum lease payments under non-cancellable operating leases for each of the following periods:

	Land and buildings 2016	Land and buildings 2015
	£	£
Expiry date:		
Within one year	63,300	123,340
1-5 years	-	62,500
5 years and over	-	-

10. Ultimate controlling parties

The Company is under the control of all IFSWF members.