

**The Red Fort Partnership
Limited**

**Annual Report and Audited
Financial Statements**

For the year ended 31 December 2020

THE RED FORT PARTNERSHIP LIMITED

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THE RED FORT PARTNERSHIP LIMITED

OFFICERS AND PROFESSIONAL SERVICE PROVIDERS

Registered Office:	PO Box 141 (address from 2 January 2020) La Tonnelle House Les Banques St Sampson Guernsey GY1 3HS
Directors:	Elaine Smeja (resigned 6 February 2020) Allister Carey (appointed 6 February 2020) Justin Baring Marc Yates Nicholas Harwood Rupert Evans
Investment Advisor:	JB Management (UK) LLP 1A Burnsall Street London United Kingdom SW3 3SR
Administrator, Secretary, Registrar and Designated Manager:	Saffery Champness Fund Services Limited (from 2 January 2020) PO Box 141 La Tonnelle House Les Banques St Sampson GY1 3HS
Custodian and Banker:	Butterfield Bank (Guernsey) Limited Regency Court Gategny Esplanade St Peter Port Guernsey GY1 3AP
Listing Agent:	Ogier Corporate Finance Limited 44 Esplanade St Helier Jersey JE4 9WG
Auditor:	Moore Stephens Audit and Assurance (Guernsey) Limited P.O. Box 146 Town Mills South La Rue du Pré St Peter Port Guernsey GY1 3HZ
Registration number:	51464

THE RED FORT PARTNERSHIP LIMITED

DIRECTORS' REPORT

For the year ended 31 December 2020

The Directors submit their annual report and audited financial statements for The Red Fort Partnership Limited (the 'Fund') for the year ended 31 December 2020.

Activities and Status

The Fund was incorporated in Guernsey on 11 February 2010, with registration number 51464. The Fund is authorised by the Guernsey Financial Services Commission ('GFSC') as a Class B Scheme under the provisions of The Protection of Investors (Bailiwick of Guernsey) Law, 1987. The Fund is governed by the provisions of The Companies (Guernsey) Law, 2008 and The Authorised Collective Investment Schemes (Class B) Rules, 2013.

The investment objective of the Fund is to seek long-term capital appreciation by investing in a portfolio substantially comprised of companies operating in the gold, other precious metals and basic materials sectors. The Fund may invest in securities that are listed, unlisted, rated or unrated.

The Fund's participating redeemable shares were admitted to listing on the Channel Islands Securities Exchange on 11 March 2010. Following the closure and restructure of the Channel Islands Securities Exchange all securities listed were transferred on to the International Stock Exchange on 20 December 2013.

Under the Alternative Investment Fund Managers Regulations 2013 of the United Kingdom (the 'Regulations'), the Fund is a 'third country AIFM' managing a 'third party AIF' for the purpose of the Regulations, the Fund is registered under the National Private Placement Regime with the Financial Conduct Authority (FCA) in the United Kingdom in accordance with the requirements of the Regulations to give written notification to the FCA in advance of commencing any marketing of the Fund in the United Kingdom.

Directors

The Directors of the Fund during and subsequent to the year end are as stated on page 2.

Going Concern

The Directors, having considered the Company's objectives and available resources along with its projected income and expenditure, are satisfied that the Company has adequate resources to meet its liabilities as they fall due and continue in operational existence for the foreseeable future.

The outbreak and continuing spread of the novel coronavirus ("COVID-19") and the related disruption to the worldwide economy are affecting businesses across all industries. While noting that the ultimate effects may be difficult to quantify at this time, the Directors do not underestimate the current situation. However the Fund is currently in a healthy net asset position and holds a portfolio of listed investments with no leverage which would be used to fund any liabilities that become due or payable.

Accordingly the financial statements have been prepared on a going concern basis.

Directors' Declaration

Each of the persons who is a Director at the date of approval of the financial statements confirms that:

- So far as the Director is aware, there is no relevant audit information of which the Fund's auditor is unaware; and
- Each has taken all steps they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Fund's auditor is aware of that information.

DIRECTORS' REPORT

For the year ended 31 December 2020

Directors' Declaration

This confirmation is given and should be interpreted in accordance with the provisions of Section 249 of The Companies (Guernsey) Law, 2008.

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 elected to prepare the financial statements in accordance with International Financial Reporting Standards ('IFRS'). 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 Fund and the profit or loss of the Fund 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 estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting 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 proper accounting records that are sufficient to show and explain the Fund's transactions and disclose with reasonable accuracy at any time the financial position of the Fund and enable them to ensure that the financial statements comply with The Companies (Guernsey) Law, 2008 and The Authorised Collective Investment Schemes (Class B) Rules, 2013. The Directors are also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

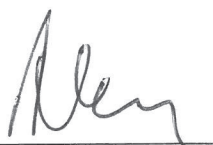
Independent Auditor

A resolution to re-appoint Moore Stephens as auditor of the Fund will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board



Rupert Evans
Director



Allister Carey
Director

15 June 2021

Opinion

We have audited the financial statements of The Red Fort Partnership Limited (the "Fund") for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Net Assets Attributable to Holders of Participating Redeemable Shares, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ("IFRSs").

In our opinion the financial statements:

- give a true and fair view of the state of the Fund's affairs as at 31 December 2020 and of its result for the year then ended;
- have been properly prepared in accordance with IFRSs; and
- have been prepared in accordance with the requirements of The Companies (Guernsey) Law, 2008 and the Authorised Collective Investment Schemes (Class B) Rules 2013.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)'). Our responsibilities under these 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 Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Guernsey, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with those 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

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

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Key audit matters

Key audit matters are those matter that, in our professional judgement, were of most significance in our audit of the financial statements for the current period including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Investment ownership and valuation

Investment assets represent the most significant number on the balance sheet and the valuation of investments is the main component in the company's financial performance. We consider that there is a risk that the valuation or holdings of the investment portfolio has been inflated to increase the overall NAV of the fund to meet investor expectation, obtain a performance fee, and increase the management fee which is dependent on the NAV.

Key audit matters (continued)

Our response

We tested 100% of the investment valuations and holdings to an independent source and no material differences were found.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on our audit and on the financial statements. For the purposes of determining whether the financial statements are free from material misstatement we define materiality as the level of misstatement that would probably influence the economic decisions of a reasonably knowledgeable person.

We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate in the financial statements as a whole.

When establishing our overall audit strategy, we determined what level of uncorrected misstatements would be material for the financial statements as a whole. We considered that the total assets figure was one of the principal considerations for stakeholders in assessing the financial performance of the company and determined planning materiality to be USD 1,400,000 which is approximately 5% of net assets.

An overview of scope of our audit

The fund was subjected to a full scope audit for the period ended 31 December 2020 using the materiality figure described above.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report on pages 3 and 4, the Investment Advisor's Report on page 29 and the Custodian's Report on page 30. The directors are responsible for the other information. 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 this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where The Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Matters on which we are required to report by exception (continued)

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

Responsibilities of directors

As explained more fully in the Directors' Report, the directors are responsible for the preparation of 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 Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

The objectives of our audit in respect of fraud are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are International Financial Reporting Standards, The Companies (Guernsey) Law, 2008, and The Protection of Investors (Bailiwick of Guernsey) Law, 2008 including The Authorised Collective Investment Schemes (Class B) Rules, 2013.

THE RED FORT PARTNERSHIP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

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

- We obtained an understanding of how the company complies with these requirements by discussions with management and examination of various statutory documentation such as the minutes and compliance reports.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management.
- We inquired of management as to any known instances of non-compliance or suspected non-compliance with laws and regulations and examined correspondence with the GFSC and legal advisors.
- We focussed particularly on the matters described above in key audit matters.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and obtaining additional corroborative evidence as required.

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

Use of our Report

This report is made solely to the Fund's members, as a body, in accordance with Section 262 of The Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Fund'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 Fund and the Fund's members as a body, for our audit work, for this report, or for the opinions we have formed.



MOORE STEPHENS AUDIT AND ASSURANCE (GUERNSEY) LIMITED

Town Mills South
La Rue du Pré
St Peter Port
Guernsey, GY1 3HZ

16 June 2021

THE RED FORT PARTNERSHIP LIMITED

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2020

		Year ended 31 December 2020	Year ended 31 December 2019
	Notes	USD	USD
INVESTMENT INCOME			
Investment income		241,593	187,300
Redemption charge income		37,839	-
Interest income		171	646
Net capital gains on investments at fair value through profit or loss	4	7,389,383	10,380,677
NET INVESTMENT INCOME		7,668,986	10,568,623
EXPENSES			
Advisory fees	9	229,170	189,229
Administration fees		111,684	112,219
Transaction fees		17,508	2,937
Directors' fees	9	48,635	33,179
Custodian fees		20,499	21,039
Audit fees		19,723	18,928
Legal and professional fees		11,722	7,384
Regulatory fees		9,356	11,194
General expenses		16,925	7,044
Net loss on currency exchange		57,164	20,485
TOTAL EXPENSES		542,386	423,638
INCREASE IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING REDEEMABLE SHARES BEFORE TAX		7,126,600	10,144,985
Withholding taxes		(34,569)	(18,346)
TOTAL COMPREHENSIVE INCOME	8	7,092,031	10,126,639

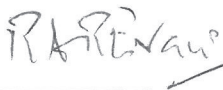
The notes on pages 13 to 26 form part of these financial statements

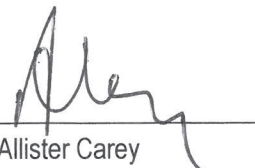
THE RED FORT PARTNERSHIP LIMITED

STATEMENT OF FINANCIAL POSITION
As at 31 December 2020

	Notes	31 December 2020 USD	31 December 2019 USD
ASSETS			
Investments	4	24,458,092	24,885,447
Other receivables and prepayments	5	2,240,892	4,590
Cash and cash equivalents		3,107,159	35,389
TOTAL ASSETS		29,806,143	24,925,426
EQUITY			
NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING REDEEMABLE SHARES			
Share premium	7	165,729,623	167,958,207
Accumulated Losses	8	(136,020,848)	(143,112,879)
	12	29,708,775	24,845,328
LIABILITIES (excluding net assets attributable to holders of participating redeemable shares)			
Management share capital	7	151	151
Other payables and accruals	6	97,217	79,947
		97,368	80,098
TOTAL EQUITY AND LIABILITIES		29,806,143	24,925,426
NAV per share			
	7,12	104.31	76.98

Approved by the board of Directors and authorised for issue on 15 June 2021.


Rupert Evans
Director


Allister Carey
Director

The notes on pages 13 to 26 form part of these financial statements

THE RED FORT PARTNERSHIP LIMITED

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING REDEEMABLE SHARES
For the year ended 31 December 2020

	Year ended 31 December 2020	
	Number of shares	USD
Net assets attributable to holders of participating redeemable shares as at 1 January 2020	<u>322,769.70</u>	<u>24,845,328</u>
Proceeds from issues of participating redeemable shares	28,513.99	2,425,576
Redemptions of participating redeemable shares	(66,463.89)	(4,654,160)
Net decrease from share transactions	<u>(37,949.90)</u>	<u>(2,228,584)</u>
Total comprehensive income	-	7,092,031
Net assets attributable to holders of participating redeemable shares as at 31 December 2020	<u>284,819.80</u>	<u>29,708,775</u>
	Year ended 31 December 2019	
	Number of shares	USD
Net assets attributable to holders of participating redeemable shares as at 1 January 2019	<u>282,642.35</u>	<u>12,570,186</u>
Proceeds from issues of participating redeemable shares	97,360.54	5,410,000
Redemptions of participating redeemable shares	(57,233.19)	(3,261,497)
Net increase from share transactions	<u>40,127.35</u>	<u>2,148,503</u>
Total comprehensive income	-	10,126,639
Net assets attributable to holders of participating redeemable shares as at 31 December 2019	<u>322,769.70</u>	<u>24,845,328</u>

The notes on pages 13 to 26 form part of these financial statements

THE RED FORT PARTNERSHIP LIMITED

STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

	Year ended 31 December 2020 USD	Year ended 31 December 2019 USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Total comprehensive income	7,092,031	10,126,639
Adjustments for:		
Dividend income	(241,593)	(187,300)
Decrease in receivables and prepayments	2,167	639
Increase in payables and accruals	10,500	20,229
Net loss on currency exchange	57,164	20,485
Net realised (gain)/loss on investments	(643,298)	622,631
Unrealised gain on revaluation of investments	(6,746,085)	(11,003,308)
Dividends received	241,593	187,300
Purchase of investments	(2,262,216)	(4,891,076)
Sale of investments	7,840,485	2,490,710
NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES	5,350,748	(2,613,051)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of shares	2,425,576	5,410,000
Redemption of shares	(4,654,160)	(3,261,497)
NET CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES	(2,228,584)	2,148,503
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE CURRENCY ADJUSTMENT	3,122,164	(464,548)
Effect of exchange rates on cash and cash equivalents	(50,394)	(20,485)
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS	3,071,770	(485,033)
RECONCILIATION OF CASH AND CASH EQUIVALENTS		
At the beginning of the year	35,389	520,422
Net increase/(decrease) in cash and cash equivalents	3,071,770	(485,033)
At the end of the year	3,107,159	35,389

The notes on pages 13 to 26 form part of these financial statements

NOTES TO FINANCIAL STATEMENTS

As at 31 December 2020

1. PRINCIPAL ACTIVITIES

The Red Fort Partnership Limited (the 'Fund') is an open-ended Guernsey limited liability company, registered on 11 February 2010 with registration number 51464. The Fund is authorised by the Guernsey Financial Services Commission ('GFSC') under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended) as an authorised open ended Investment Scheme under the Class B Rules 2013. The registered office of the Fund is PO Box 141, La Tonnelle House, Les Banques, St Sampson, Guernsey, GY1 3HS.

The investment objective of the Fund is to seek long term capital appreciation by investing in a portfolio substantially composed of companies operating in the gold, other precious metals and basic materials sectors. The Fund may invest in securities that are listed, unlisted, rated or unrated.

2. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the periods presented, unless otherwise stated.

Basis of preparation

The Fund's financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS'). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and financial liabilities at fair value and on the going concern basis.

There are new standards and amendments to existing standards that are effective for the period beginning on 1 January 2020. None of these standards or amendments are deemed relevant to the Company; hence, they have not been disclosed.

A number of new standards are effective for periods beginning on or after 1 January 2020 and early application is permitted; however, the Company has not adopted the new or amended standards in preparing these financial statements. None of the standards are expected to have a material impact on the Company's financial statements.

Going concern

The Directors, having considered the Company's objectives and available resources along with its projected income and expenditure, are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. As detailed in the Directors' Report, the Directors are closely monitoring the latest developments relating to COVID-19, and possible future impact on the Company. The Directors remain confident that the going concern basis remains appropriate in preparing these financial statements.

Foreign currency

Functional and presentation currency

The presentation currency of the Fund is United States Dollars ('USD'). Subscriptions and redemptions are effected in USD and the Directors consider that USD is also the functional currency of the Fund.

2. PRINCIPAL ACCOUNTING POLICIES - continued

Foreign currency

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities in foreign currencies are translated into the functional currency using the exchange rate prevailing at the date of the Statement of Financial Position.

Foreign exchange gains and losses arising from translation are included in the Statement of Comprehensive Income

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the Statement of Comprehensive Income within 'Net loss on currency exchange'.

Where foreign currency items are held at fair value, the foreign currency movements are treated as part of the fair value change.

Use of estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the year. Actual results could differ from those estimates and assumptions.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in note 10.

Valuation principles

The Fund's value is calculated each month based on the valuation of its underlying assets and liabilities as at 8.00am on the last business day of each month ('Valuation Day'). All subscriptions and redemptions are based on the Fund's net asset value attributable to holders of participating redeemable shares ('net asset value per share'), determined by Saffery Champness Fund Services Limited (the 'Administrator'), at values as of 8.00am on the Valuation Day. The last Valuation Day of the reporting period was 31 December 2020 and the financial statements have been prepared on that basis. As a result, investment transactions taking place after 8.00am on 31 December 2020 have not been recognised in these financial statements.

The net assets attributable to holders of participating redeemable shares of the Fund comprise the aggregate amount of all the investments owned or contracted to be purchased by the Fund as of the Valuation Day, plus any cash, bills, accrued interest, or other property of any kind as defined from time to time by the board of Directors, from which are deducted the accrued management, custodian and administrative expenses, the value of any investments contracted to be sold, the aggregate amount of any borrowings, any interest or other charges, or other liabilities of any kind as defined from time to time by the board of Directors.

The net asset value per share is expressed in USD and is determined by dividing the net assets attributable to holders of participating redeemable shares of the Fund by the number of participating redeemable shares in issue on the Valuation Day. A reconciliation of net assets attributable to holders of participating redeemable shares to the net asset value per the valuation can be found in note 12.

2. PRINCIPAL ACCOUNTING POLICIES – continued

Financial instruments

Classification

The Fund classified all equity investments as financial assets at fair value through profit or loss upon initial recognition. Financial assets that are classified as loans and receivables include cash and cash equivalents and receivables. Financial liabilities measured at amortised cost include fees payable and payables on securities purchased.

Recognition, derecognition and initial measurement

The Fund recognises financial assets or liabilities on the date it commits to purchase or sell the instrument. Financial instruments designated on initial recognition as financial assets at fair value through profit or loss are recognised initially at cost. For financial assets acquired, cost is the fair value of the consideration given, while for the financial liabilities, cost is the fair value of the consideration received.

Transaction fees for financial assets at fair value through profit or loss investments are not included in the amount initially recognised and are written off to the Statement of Comprehensive Income as incurred. Financial assets classified as loans and receivables are recognised on the day that they are transferred to the Fund at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Financial assets are derecognised when the rights to receive cash flows have expired or the Fund has transferred substantially all the risks and rewards of ownership. Any gain or loss on derecognition is recognised in the Statement of Comprehensive Income under 'Net capital gains/(losses) on investments at fair value through profit or loss'.

Financial liabilities are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition or issue. Financial liabilities arising from the participating redeemable shares issued by the Fund are carried at the redemption amount representing the investors' rights to a residual interest in the Fund's assets. Financial liabilities are not recognised unless one of the parties has performed their obligations under the agreement.

Subsequent measurement

Subsequent to initial recognition, all financial assets designated at fair value through profit or loss are measured at fair value, with changes in the fair value recognised in the Statement of Comprehensive Income. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of financial instruments is based on their quoted market prices on a recognised exchange or, in the case of non-exchanged traded instruments, sourced from a reputable broker/counterparty at the date of the Statement of Financial Position without any deduction for estimated future selling costs. The Fund only holds long positions, which are valued at bid price.

Unrealised gains and losses on subsequent measurement

Unrealised gains and losses arising from changes in the fair value of investments during the year are recognised in the Statement of Comprehensive Income under 'Net capital gains/(losses) on investments at fair value through profit or loss'.

2. PRINCIPAL ACCOUNTING POLICIES – continued

Financial instruments (continued)

In the case of any security which is listed or dealt on more than one stock exchange, the Directors shall determine the stock exchange whose quotations shall be used in the determination of the value of such a security. This determination is made consistently from period to period, and between different investments.

In the case of any security for which no price quotations are available, the value thereof shall be determined in such manner as the Directors shall from time to time determine.

Due from and due to brokers

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the date of the Statement of Financial Position respectively.

Cash and cash equivalents

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

Income

Interest income is accounted for on an accruals basis and recognised in the Statement of Comprehensive Income. Interest income includes interest earned on cash held at bank on call and on deposit.

Dividend income from investments is accounted for on an ex-dividend basis, gross of applicable withholding taxes and is recognised in the Statement of Comprehensive Income within investment income when the Fund's right to receive payments is established.

Redemption charge income is accounted for on an accruals basis and is recognised in the Statement of Comprehensive Income and is calculated in line with the Private Placement Memorandum of the Fund.

Accrued expenses

Accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method. Due to the short-term nature of accrued expenses, their amortised cost approximates to their fair value.

Participating redeemable shares

The Fund issues one class of participating redeemable share which is redeemable at the holder's option. Such shares are classified as equity. Participating redeemable shares can be redeemed at any time for cash equal to a proportionate share of the Fund's net asset value per share. The participating redeemable shares are carried at the redemption amount that is payable at the date of the Statement of Financial Position if the holder exercises the right to redeem their shares in the Fund.

Participating redeemable shares are issued and redeemed at the holder's option at prices based on the Fund's net asset value per share at the time of issue or redemption. In accordance with the provisions of the Fund's offering memorandum, investment positions are valued based on the last traded market price for the purpose of determining the net asset value per share for subscriptions and redemptions.

2. PRINCIPAL ACCOUNTING POLICIES – continued

Increase/decrease in net assets attributable to holders of participating redeemable shares

Income not distributed is included in net assets attributable to holders of participating redeemable shares.

Taxation

The Fund resides for taxation purposes in Guernsey, where it pays an annual tax exemption fee of GBP 1,200 (2019: GBP 1,200) subject to the provisions of The Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989.

The Fund may be subject to foreign withholding tax on certain interest, dividends and capital gains.

3. SIGNIFICANT AGREEMENTS

The following significant contracts have been entered into by the Fund:

Investment Advisory Agreement

Under the Investment Advisory Agreement, JB Management (UK) LLP (the 'Advisor') receives from the Fund an advisory fee on a sliding scale on the total Net Asset Value ("NAV"), payable monthly in arrears on a pro rata basis. For the first \$50m of NAV, the fee is 1%; on the next \$50m of NAV (i.e. from \$50m to \$100m), the incremental fee is 0.75%; and above \$100m NAV, the incremental fee is charged at 0.25%. In addition to the advisory fee, a performance allocation fee is calculated and, if appropriate, paid annually at a rate of 10% on the increase in the net asset value per share over a hurdle equal to the aggregate annual return of the USD SPDR Gold Shares ETF traded on the New York Stock Exchange at 8.00 am Guernsey time, over the calculation period. Up to 60 per cent of the performance allocation fee will be paid to the Investment Adviser by way of issuing to the Investment Adviser restricted Participating Shares and the balance in cash.

The Advisor is also entitled to receive a Performance Allocation Redemption if participating redeemable shares are subscribed for at a time when the net asset value per share is less than the peak net asset value per share (as defined in the Private Placement Memorandum), in an amount equal to 10% of the appreciation in the value of those shares from the net asset value per share at subscription up to the peak net asset value per share. The Performance Allocation Redemption will be charged at the end of each calculation period by redeeming participating redeemable shares from the respective investors. Up to 60 per cent of the performance allocation fee arising from the Performance Allocation Redemption will be paid to the Investment Adviser by way of issuing to the Investment Adviser restricted Participating Shares and the balance in cash.

Custodian Agreement

Under a Custody Agreement, Butterfield Bank (Guernsey) Limited (the 'Custodian') is entitled to receive a percentage based figure based on the NAV. From the Fund an annual fee for core custodian trustee activities of GBP 7,500, plus an annual custody fee of 0.050% on the first GBP 25m of the funds held in safe custody, 0.035% on the next GBP 25m, 0.020% on the next GBP 25m and 0.010% thereafter, subject to a minimum of GBP 5,000 per annum.

3. SIGNIFICANT AGREEMENTS (continued)**Administration Agreement**

On 2 January 2020 Maitland Administration (Guernsey) Limited resigned as Administrator and on the same date, Saffery Champness Fund Services Limited were appointed on the same terms. Under the Administration Agreement, Saffery Champness Fund Services Limited (the 'Administrator') receives from the Fund a fee computed and payable quarterly in arrears. The fee is calculated at the rate of 0.125% of the net asset value of the Fund for the first USD 50m, 0.10% on the net asset value between USD 50m and USD 300m and 0.04% thereafter, with an overall minimum fee per annum of USD 110,000 (2019: USD 110,000). The Fund Administrator is also reimbursed all out-of-pocket expenses reasonably incurred.

Listing Sponsor Agreement

Under a Services Agreement dated 28 April 2016, Ogier Corporate Finance Limited (the 'Listing Agent'), receives from the Fund an annual fee of GBP 2,000 per annum, payable in advance.

4. INVESTMENTS

	31 December 2020 USD	31 December 2019 USD
Opening book amount at fair value	24,885,447	12,104,404
Additions at cost	2,262,216	4,891,076
Disposal proceeds	(10,078,954)	(2,490,710)
Net realised gain/(loss) on disposal of investments	643,298	(622,631)
Net unrealised gain/(loss) on revaluation of investments	6,746,085	11,003,308
Closing net book amount at fair value	24,458,092	24,885,447

Total original cost of the investments as at the reporting date was USD 33,376,334 (2019: USD 42,277,489).

5. OTHER RECEIVABLES AND PREPAYMENTS

	31 December 2020 USD	31 December 2019 USD
Investment sales awaiting settlement	2,238,469	-
Prepayments	2,423	4,590
	2,240,892	4,590

THE RED FORT PARTNERSHIP LIMITED

NOTES TO FINANCIAL STATEMENTS - continued

As at 31 December 2020

6. OTHER PAYABLES AND ACCRUALS

	31 December 2020	31 December 2019
	USD	USD
Accrual for:		
Advisory fees (see Note 9)	25,223	19,974
Administration fees	27,650	27,726
Audit fees	18,739	18,739
Directors' fees (see Note 9)	12,567	8,401
Custodian fees	6,013	5,107
Other payables	255	-
Unrealised loss on foreign currency transactions	6,770	-
	97,217	79,947

7. SHARE CAPITAL AND SHARE PREMIUM

Authorised share capital

	Number of shares	USD
Management shares of GBP 1.00 each	100	151
Participating redeemable shares of no par value	25,000,000	-
	25,000,100	151

- i) Management shares have been issued to the Advisor. The management shares carry voting rights, are not redeemable, are not entitled to any dividends, and in the event of a liquidation rank only for return of the nominal amount paid up, prior to the return of the remaining balance of net assets to the holders of participating redeemable shares.
- ii) Participating redeemable shares are issued and redeemed at prices based on the value of the net assets as determined in accordance with the Articles of Association. The holders of participating redeemable shares are entitled to dividends, have limited voting rights, and upon liquidation are entitled to a share in surplus assets remaining after the return of the nominal amount paid up first on management shares.

THE RED FORT PARTNERSHIP LIMITED

NOTES TO FINANCIAL STATEMENTS - continued
As at 31 December 2020

7. SHARE CAPITAL AND SHARE PREMIUM – continued

Issued share capital

	Number of shares	Share capital USD	Share premium USD
Participating redeemable shares			
Balance at 1 January 2020	322,769.70	-	167,958,207
Issue of shares	28,513.99	-	2,425,576
Redemption of shares	(66,463.89)	-	(4,654,160)
Balance at 31 December 2020	<u>284,819.80</u>	<u>-</u>	<u>165,729,623</u>
Balance at 1 January 2019	282,642.35	-	165,809,704
Issue of shares	97,360.54	-	5,410,000
Redemption of shares	(57,233.19)	-	(3,261,497)
Balance at 31 December 2019	<u>322,769.70</u>	<u>-</u>	<u>167,958,207</u>
Management shares			
Balance at 31 December 2019 and 31 December 2020	<u>100.00</u>	<u>151</u>	<u>-</u>
Total issued share capital			
Balance at 31 December 2020	<u>284,819.80</u>	<u>151</u>	<u>165,729,623</u>
Balance at 31 December 2019	<u>322,769.70</u>	<u>151</u>	<u>167,958,207</u>

The net asset value ('NAV') of the outstanding participating redeemable shares is as follows:

	Number of shares	Total net assets USD	NAV per share USD
At 31 December 2020	<u>284,819.80</u>	<u>29,708,775</u>	<u>104.31</u>
At 31 December 2019	<u>322,769.70</u>	<u>24,845,328</u>	<u>76.98</u>

At launch, on 1 March 2010, the NAV per share was USD 100.

8. RETAINED EARNINGS

	31 December 2020 USD	31 December 2019 USD
Accumulated losses brought forward	(143,112,879)	(153,239,518)
Total comprehensive income	<u>7,092,031</u>	<u>10,126,639</u>
Accumulated losses carried forward	<u>(136,020,848)</u>	<u>(143,112,879)</u>

9. RELATED PARTY TRANSACTIONS

Participating redeemable shares carry limited voting rights. Full voting rights attach to the management shares in issue. The Investment Advisor, a limited liability partnership registered in England and Wales, owns the management shares in issue. The Investment Advisor subscribed for these shares for a total consideration of USD 151 (2019: USD 151). Day to day control of the company is vested in the board of Directors.

The bases of calculation of the fees due to the Investment Advisor are set out in note 3. The Investment Advisor received remuneration of USD 229,170 (2019: USD 189,229) from the Fund during the year in respect of normal services provided, with USD 25,223 (2019: USD 19,974) outstanding at the end of the year.

The Investment Advisor received a Performance Fee of USD nil (2019: USD nil) and a Performance Allocation Redemption of USD 195,687 (2019: USD 78,573) from the relevant investors during the year. The Investment Advisor holds 9,477.42 (2019: 9,963.60) participating redeemable shares in the Fund at the end of the year.

During the year, the Directors charged fees of USD 48,635 (2019: USD 33,179), of which USD 12,567 (2019: USD 8,401) were outstanding at the end of the year.

Mr J Baring a Director of the Fund, together with his close family, has an indirect beneficial interest in the Fund of 16.64% (2019: 13.29%). Mr J Baring is also a Partner of the Investment Advisor.

Mr R Evans, a Director of the Fund, has an indirect beneficial interest in the Fund, as a Shareholder of a company owned jointly with his wife, of 2.25% (2019: 1.98%).

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

During the year, the Fund entered into transactions which gave rise to the following financial assets and liabilities: investments, receivables, cash and cash equivalents and payables.

Market risk

Market risk is affected by three main components: price risk, interest rate risk and currency risk.

Price risk

The Fund is exposed to price risk on its financial instruments. There is a risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument held or factors affecting all financial instruments traded in the market.

At 31 December 2020, the Fund has a diversified equity portfolio. The Fund has equity securities which comprise 82.33% (2019: 100.16%) of net assets.

If the bid prices at 31 December 2020 had increased by 5% with all other variables held constant, this would have increased net assets attributable to holders of participating redeemable shares by approximately USD 1,222,905 (2019: USD 1,244,272). Conversely, if the bid prices had decreased by 5%, this would have decreased net assets attributable to holders of participating redeemable shares by approximately USD 1,222,905 (2019: USD 1,244,272).

NOTES TO FINANCIAL STATEMENTS - continued

As at 31 December 2020

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT – continued

Interest rate risk

The Fund is exposed to interest rate risk to the extent that prevailing interest rates may fluctuate on the floating rate instruments.

The exposure at 31 December 2020 of financial assets and financial liabilities to interest rate risk is limited to cash and cash equivalents of USD 3,107,159 (2019: USD 35,389). Cash and cash equivalents are all placed in call accounts.

The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund is not subject to significant amounts of risk due to fluctuation in the prevailing levels of interest rates.

Currency risk

A portion of the net assets of the Fund are denominated in currencies other than United States Dollars, with the effect that the Statement of Financial Position and Statement of Comprehensive Income can be affected by currency movements.

As at 31 December 2020, the Fund's net currency exposure on investments and other assets, comprising cash and cash equivalents and sales awaiting settlement, can be analysed as follows:

	Investments	Other assets	Total
	USD	USD	USD
31 December 2020			
Australian Dollar	4,360,540	295,251	4,655,791
Canadian Dollar	6,179,726	603,314	6,738,040
Euro	1,500,929	4,733	1,505,662
Pound Sterling	4,589,927	143,694	4,733,621
South African Rand	4,880,412	387,312	5,267,724
Swedish Krona	2,235,864	311,681	2,547,545
United States Dollar	710,694	3,599,643	4,310,337
	24,458,092	5,345,628	29,758,720

	Investments	Other assets	Total
	USD	USD	USD
31 December 2019			
Australian Dollar	5,051,623	-	5,051,623
Canadian Dollar	6,499,532	2,447	6,501,979
Euro	1,755,686	-	1,755,686
Pound Sterling	4,143,237	30,074	4,173,311
South African Rand	3,935,732	-	3,935,732
Swedish Krona	1,150,673	-	1,150,673
United States Dollar	2,348,964	2,868	2,351,832
	24,885,447	35,389	24,920,836

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT – continued**Currency risk (continued)**

If the foreign exchange rates at 31 December 2020 had increased by 5% with all other variables held constant, this would have increased net assets attributable to holders of participating redeemable shares by approximately USD 1,341,776 (2019: USD 1,128,450). Conversely, if the foreign exchange rates had decreased by 5%, this would have decreased net assets attributable to holders of participating redeemable shares by approximately USD 1,213,988 (2019: USD 1,128,450).

Liquidity risk

Liquidity risk, also referred to as funding risk, is the risk that the Fund will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of liquid assets.

The table below summarises the maturity profile of the Fund's financial liabilities as at 31 December 2020 based on contractual undiscounted payments:

	On demand	Between 1-3 months USD	Between 3-6 months USD	Total USD
31 December 2020				
Payables and accruals	<u>18,739</u>	<u>59,141</u>	<u>12,567</u>	<u>90,447</u>
31 December 2019				
Payables and accruals	<u>18,739</u>	<u>52,807</u>	<u>8,401</u>	<u>79,947</u>

The Fund is also exposed to liquidity risk in respect of monthly cash redemptions of participating redeemable shares. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed. In addition, redemption requests from shareholders must be received by the Fund at least 20 business days prior to the dealing day.

Credit risk

The Fund is exposed to material credit risk on its cash and cash equivalents and investments. Failure of the transaction counterparty to perform their obligations under the financial instruments may lead to a financial loss. The credit risk in respect of cash balances is mitigated by placing cash with a reputable banking institution with a sound credit rating, the Custodian.

No classes of financial assets contain impaired assets. The maximum exposure to credit risk over financial assets is the carrying value of those assets in the Statement of Financial Position.

All financial assets of the Fund have maturities of less than 30 days.

The Fund does not have any collateral held as security or other credit enhancements as at 31 December 2020 (2019: nil).

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT – continued**Fair value**

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurements in its entirety.

For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. The determination of what constitutes 'observable' requires significant judgement by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses, within the fair value hierarchy, the Fund's financial assets (by class) measured at fair value at 31 December 2020:

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
31 December 2020				
Investments				
Equity securities	<u>24,458,092</u>	<u>-</u>	<u>-</u>	<u>24,458,092</u>
	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
31 December 2019				
Investments				
Equity securities	<u>24,885,447</u>	<u>-</u>	<u>-</u>	<u>24,885,447</u>

Investments, whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities. The Fund does not adjust the quoted price for these instruments.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT – continued**Capital risk management**

The capital structure of the Fund consists of management shares and participating redeemable shares.

The Fund has issued 100 management shares of GBP 1.00 each. 99 of the management shares are held by the Advisor and 1 management share is held by Maitland Nominees Limited on behalf of the Advisor.

On 2 January 2020 there was a transfer of 1 management share from Maitland Nominees Limited to Rysaffe Nominees (C.I.) Limited.

The participating redeemable shares issued by the fund provide the holder with the right to require redemption for cash at a value proportionate to the holder's share in the Fund's net assets at each monthly dealing date. The participating redeemable shares are classified within equity.

A description of the rights of each type of shares issued by the Fund is given in note 7.

The Fund's objectives in managing the participating redeemable shares are to ensure a stable base to maximise returns to all investors, and to manage liquidity risk arising from redemptions.

11. ULTIMATE CONTROLLING PARTY

The Fund's immediate controlling party is JB Management (UK) LLP, a limited liability partnership registered in the United Kingdom, who is also the Fund's Investment Advisor and holder of the management shares in issue.

The Fund's ultimate controlling party is Justin Baring, the majority shareholder of JB Management (UK) LLP.

12. RECONCILIATION OF NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING REDEEMABLE SHARES TO NET ASSET VALUE PER VALUATION

	31 December 2020 USD	31 December 2019 USD
Net asset value per valuation as at 31 December	29,708,775	24,845,244
Effect of adjustments on NAV	-	84
Net assets attributable to holders of participating redeemable shares	29,708,775	24,845,328

The impact of the above adjustments on the NAV per share has been calculated by dividing the total adjustments to the number of shares as at 31 December 2020 (see note 7), and are as follows:

	31 December 2020 USD	31 December 2019 USD
NAV per share reported on valuation	104.31	76.98
Effect of adjustments on NAV per share	-	-
NAV per share reported on Statement of Financial Position	104.31	76.98

13. EVENTS AFTER THE REPORTING DATE

There are no subsequent events to report.

THE RED FORT PARTNERSHIP LIMITED

PORTFOLIO STATEMENT

As at 31 December 2020

INVESTMENT VALUATION BY COUNTRY OF LISTING AS AT 31 DECEMBER 2020

INVESTMENTS	Nominal holding	Valuation USD	Percentage of net assets %
Equities			
Australia			
Galaxy Resources Limited	143,074	241,902	0.81
IGO Limited	199,273	955,628	3.22
Perseus Mining AUD	2,335,111	2,252,201	7.58
Zimplats Holdings Limited	90,125	910,809	3.07
		4,360,540	14.68
Belgium			
Umicore	30,719	1,500,929	5.05
Canada			
Eldorado Gold Corporation	31,316	425,630	1.43
First Quantum Minerals Limited	146,385	2,714,743	9.14
GoldMoney Inc.	92,000	170,905	0.57
MAG Silver Corporation	27,797	571,061	1.92
Mene Income	4,762	2,463	0.01
Mountain Province Diamonds Inc.	202,707	93,743	0.32
Platinum Group Metals Limited	19,615	91,172	0.31
SSR Mining Inc	104,623	2,110,009	7.10
		6,179,726	20.8
South Africa			
Northam Platinum Limited	88,821	1,218,019	4.10
Sibanye Stillwater Limited	900,000	3,662,393	12.33
		4,880,412	16.43
Swedish Krona			
Boliden AB	62,660	2,235,864	7.53
United Kingdom			
Centamin Plc	283,000	476,972	1.61
Firestone Diamonds Plc	1,362,299	-	0.00
Hochschild Mining Limited	513,003	1,462,238	4.92
Hummingbird Resources Limited	1,570,850	706,293	2.38
Kenmare Resources Plc	328,500	1,387,502	4.67
Zambeef Products Plc	8,175,000	556,922	1.87
		4,589,927	15.45

THE RED FORT PARTNERSHIP LIMITED

PORTFOLIO STATEMENT - CONTINUED

As at 31 December 2020

INVESTMENT VALUATION BY COUNTRY OF LISTING AS AT 31 DECEMBER 2020 - continued

INVESTMENTS	Nominal holding	Valuation USD	Percentage of net assets %
USA			
Barrick Gold Corporation	29,563	687,044	2.31
Platinum Group Metals Limited	5,000	23,650	0.08
		710,694	2.39
Total investments		24,458,092	82.33
Other net assets attributable to holders of participating redeemable shares		5,250,683	17.67
		29,708,775	100.0

SIGNIFICANT ACQUISITIONS AND DISPOSALS OF INVESTMENTS DURING THE YEAR

	Nominal holding	Cost USD
Acquisitions		
Boliden AB	34,000	703,953
Umicore	8,700	340,074
Centamin Plc	217,000	339,182
Alacer Gold Corp	100,000	301,977
Barrick Gold Corp	15,700	296,858
IGO Limited	91,000	280,172
Disposals		
Sibanye Stillwater Ltd	436,204	2,292,908
Perseus Mining Ltd	2,573,629	1,867,615
First Quantum Minerals Limited	144,320	1,053,433
Alacer Gold Corp	182,500	946,858
Centamin PLC	467,000	900,142
Umicore SA	14,190	564,856
SSR Mining Inc	25,365	504,315
Barrick Gold Corp	18,560	491,044
Boliden AB	14,490	439,532
Sibanye Gold Ltd	40,000	406,673

Significant acquisitions and disposals are defined as the 10 largest acquisitions and disposals of investments, acquisition of new securities or fully disposed cash transactions of existing securities excluding corporate actions.

THE RED FORT PARTNERSHIP LIMITED

INVESTMENT ADVISOR'S REPORT

As at 31 December 2020

The Fund adheres to a long-term investment approach and avoids high turnover of its investments. The capital investments that are undertaken by companies in the global Basic Material Sector are usually considerable with long lead times between the original investment and a return on the investments. A long-term investment horizon is therefore appropriate for the Investment Advisor.

During 2020 the Net Asset Value per share of the Fund rose from US\$76.98 to US\$104.31, an increase of 35.5%. Over the same period, the FT Gold Mines Index appreciated by 23.2% in USD terms whilst the NYSE listed SPDR Gold ETF rose by 24.8%. The Bloomberg World Mining Index rose by 27.9%.

In the roughly ten years since the Fund's inception on 8 March 2010 up to the year end of 31 December 2020, the Net Asset Value per share has risen by 4.3% whilst the NYSE listed SPDR Gold ETF has increased by 62.3%, the FTSE Gold Mining Index (in USD) and the Bloomberg World Mining Index (in USD) decreased by 22.9% and 21.5% respectively. The currencies of countries that many of the world's mining companies operate and are listed in have moved, in all cases significantly, in the same period against the US\$. The South African Rand has depreciated by 99.0%, the Canadian dollar by 23.9%, the Australian dollar by 18.2% and the GB Pound by 10.3%.

The table below shows the most recent performance of the Red Fort Partnership against a number of indices. The data given below is to the end of April 2021 (i.e. post the date of these Financial Statements). This table, therefore, shows the Fund's relative performance including the period of the COVID-19 pandemic to date. The fund suffered in the spring of 2020 in line with the broader market, but recovered well over the rest of the year and into 2021.

	Red Fort Partnership	SPDR Gold ETF	FT Gold Mines Index	Bloomberg World Mining Index
YTD	10.5%	(7.1%)	(7.1%)	11.4%
1YR	71.0%	4.3%	(1.7%)	64.6%
3YR	100.8%	33.0%	52.3%	36.5%
5YR	101.0%	34.0%	28.9%	76.7%
Since inception	15.3%	50.8%	(28.3%)	(12.5%)

JB Management (UK) LLP as an Investment Advisor, articulate their investment strategy every quarter in a newsletter, copies of which can be obtained by shareholders by contacting the Administrator. The Net Assets under management of the Fund increased over the year to \$29.7m having started the year at \$24.8m. During 2020 the Fund received subscriptions and redemptions as detailed in note 7 of these financial statements. A detailed breakdown of the significant investment transactions that took place during the year can be found in the portfolio statement on page 28 of these financial statements.

THE RED FORT PARTNERSHIP LIMITED

CUSTODIAN'S REPORT

In our capacity as Custodian to the Fund we confirm that, in our opinion, the Manager has managed the scheme during the year ended 31 December 2020 in accordance with the provisions of the principal documents of the Company and with The Authorised Collective Investment Schemes (Class B) Rules, 2013 and that we are unaware of any material breaches having occurred.

BUTTERFIELD BANK (GUERNSEY) LIMITED

Regency Court
Gategny Esplanade
St Peter Port
Guernsey
GY1 3AP

16 June 2021

Signature: 