Ruffer Illiquid Multi Strategies Fund 2015 Limited

Annual report and
audited financial statements

For the year ended
31 March 2025

Contents

Board of Directors

The Directors of the Company are all independent and non-executive. They are -

Keith Betts (Chairman), a resident of Guernsey.
Keith Betts, aged 68, is self-employed. He was formerly Chief Executive Officer of Newhaven Trust Company (Channel Islands) Limited and before that Managing Director of CIBC Bank and Trust Company (Channel Islands) Limited and subsidiaries (1987 to 2001). He is a non-executive Chairman of Ruffer (Channel Islands) Limited.

Wayne Bulpitt, CBE, a resident of Guernsey.
Wayne Bulpitt, aged 63, is Co Chair of Aspida Group Limited. He was formerly head of offshore investment services for Canadian Imperial Bank of Commerce, Global Private Banking & Trust division (1998-2001) and Managing Director of CIBC Fund Managers (Guernsey) Limited (1992-1998).

James Aitken, a resident of the United Kingdom.
James Aitken, aged 54, is a resident of the United Kingdom. He is Managing Partner of Aitken Advisors LLP, a macro-financial consultancy that advises institutional investors and policy makers worldwide on financial markets, macroeconomics, financial system issues and policy itself.

Peter Luthy, a resident of the United Kingdom.
Peter Luthy, aged 74, has worked in the fixed income market for over 30 years. In 1990, he co-founded a credit focussed bond broker, Luthy Baillie Dowsett Pethick and Co. Limited (LBDP) whose shareholders included Deutsche Bank AG, Robert Fleming Limited and Swiss Bank Corporation. Dresdner Kleinwort Benson acquired LBDP in 1996 where he was Global Head of Credit Products. He was a Managing Partner of Banquo Credit Management Limited between 2004 and 2014.

John Hallam, a resident of Guernsey.
John Hallam, aged 76, is a Fellow of the Institute of Chartered Accountants in England and Wales and qualified as an accountant in 1971. He is a former partner of PricewaterhouseCoopers having retired in 1999 after 27 years with the firm both in Guernsey and in other countries. He is Chairman of NB Distressed Debt Investment Fund Ltd. He served for many years as a member of the Guernsey Financial Services Commission from which he retired in 2006 having been its Chairman for the previous three years.

Directors' report

The Directors present their report on the affairs of Ruffer Illiquid Multi Strategies Fund 2015 Limited (the 'Company'), together with the Audited financial statements for the year ended 31 March 2025 (the 'Financial Statements').

Incorporation and principal activities

The Company was incorporated in Guernsey on 4 November 2014 with registered number 59288, and is governed by the Companies (Guernsey) Law, 2008 (the 'Law').

The Company is a registered Closed-ended Investment Scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020 (the 'POI Law') and the Registered Collective Investment Scheme Rules and Guidance, 2021 issued by the Guernsey Financial Services Commission (GFSC).

On 23 February 2015 (the 'Initial Issue Date'), 382,829,274 shares of no par value were issued at £1 per Share and were admitted to listing on the Official List of The International Stock Exchange (TISE) (previously the Channel Islands Securities Exchange). The Company indicated at the time that more shares may be issued commencing on or about 24 April 2015.

Following a further offer of subscription for new shares, 224,882,981 shares of no par value were admitted to the official list of the TISE on 24 April 2015. These shares were issued at £0.99941 per share and the Company received gross proceeds of £224,750,300.

On 24 February 2017, 101,943,886 shares of no par value were admitted to the official list of the TISE. These shares were issued at £0.864044 per share and the Company received gross proceeds of £88,084,003.

On 28 September 2017, 283,177,389 shares of no par value were admitted to the official list of the TISE. These shares were issued at £0.715086 per share and the Company received gross proceeds of £202,496,186.

On 14 March 2018, 118,237,190 shares of no par value were admitted to the official list of the TISE. These shares were issued at £0.682687 per share and the Company received gross proceeds of £80,718,992.

On 15 January 2019, 405,585,372 shares of no par value were admitted to the official list of the TISE. These shares were issued at £0.743653 per share and the Company received gross proceeds of £301,614,779.

On 19 March 2019, 423,984,414 shares of no par value were admitted to the official list of the TISE. These shares were issued at £0.572781 per share and the Company received gross proceeds of £242,850,217.

On 3 January 2020, the Company redeemed 23,724,691 shares and a redemption payment of £9,874,359 was made.

On 26 February 2020, 432,528,831 shares of no par value were admitted to the official list of the TISE. These shares were issued at £0.440896 per share and the Company received gross proceeds of £190,700,231.

On 2 June 2020, the Company redeemed 324,587,781 shares and a redemption payment of £222,679,228 was made.

On 12 March 2021, the Company redeemed 132,901,440 shares and a redemption payment of £110,314,575 was made.

On 28 June 2021, the Company redeemed 724,396,779 shares and a redemption payment of £524,999,322 was made.

On 25 February 2022, 229,091,226 Ordinary Shares were converted to Realisation Shares in accordance with the circular dated 27 January 2022. On 1 March 2022, the Realisation Shares were repurchased and cancelled under the Tender Offer.

On 2 August 2022, the Company redeemed 76,868,709 shares and a redemption payment of £83,631,925 was made.

On 1 December 2022, 161,404,566 Ordinary Shares were converted to Realisation Shares in accordance with the circular dated 29 November 2022. On 4 January 2023, the Realisation Shares were repurchased and cancelled under the Tender Offer.

On 24 April 2023, 129,723,202 shares of no par value were admitted to the official list of the TISE. These shares were issued at £0.895969 per share and the Company received gross proceeds of £116,227,967.

On 20 August 2024, 165,885,900 shares of no par value were admitted to the official list of the TISE. These shares were issued at £0.617535 per share and the Company received gross proceeds of £102,440,349.

Business review

The Company's investment objective is to seek to generate positive returns over the life of the Company from financial market cycles, after fees and expenses, including but not limited to investing in strategies focussing on credit and volatility.

The Company's investment strategy is to invest principally in investee vehicles which pursue strategies of investing in situations where asset valuations have been distorted by the abundance or shortage of liquidity. The Company may also invest in investee vehicles or Direct Investments which do not themselves follow this strategy, with the aim of hedging exposures otherwise arising in the Company's portfolio. The movements in investments are described in the Investment Manager's report on page 10.

The Directors monitor the Company's exposure to external risks on an ongoing basis and the significant risks and the principal mitigating considerations are set out in Note 9.

Going concern

The Board of Directors is satisfied at the time of approving the Financial Statements that the Company has adequate resources and the intention to continue to operate until at least 30 June 2026.

In arriving at their conclusion the Directors have considered –

Geopolitical risk – The second Trump administration's attempted reordering of long established global trade and global capital flow relationships constitutes a significant risk to the global economy. The resultant disruption is likely to continue for many months, resulting in a notable slowdown in global growth adding to the impact of Russia's invasion of Ukraine and continuing escalated tensions in the Middle East and elsewhere which had already constituted significant risks to the global economy. There has been no direct impact on the Company as its investment policy is designed to address such risks.

Investment risk – The Company does not have any outstanding obligations to make future investments in the funds within its portfolio and can adjust its investment strategy in response to the market environment and in accordance with its stated investment policy. The Company can sell its investments subject to the liquidity provisions and redemption terms of the investee vehicles. The Directors maintain active oversight of the Company's investment strategy and monitor liquidity and risk exposures on an ongoing basis.

Financial resources, business plans and management intentions – the Company's net assets at 31 March 2025 of £581,507,204 and the cash balance at 31 March 2025 of £20,069,537.

- annual operating expenditure of the Company is not considered material, and
- there are no intentions to liquidate or close down the Company in the ensuing period to 30 June 2026.

For these reasons, the Directors continue to adopt the going concern basis in preparing the Financial Statements.

Corporate governance

Investment Manager update:

At the request of the Board,the Investment Manager, Ruffer AIFM Limited –"Ruffer", has prepared the following report on its investment approach.

"Ruffer interprets responsible investment as the integration of environmental, social, and corporate governance (ESG) considerations into its investment process, and stewardship -

engagement and proxy voting - of its clients' assets. Its overall approach to Responsible Investment can be found in the Responsible Investment Policy.[1]

Ruffer believes ESG considerations are potential sources of both opportunity and risk, meaning they may contribute to or detract from investment performance and, that stewardship activities may contribute to risk reduction or return enhancement. Therefore, ESG factors are an important sub-set of the risks and opportunities considered in investment analysis and may help to guide security selection and portfolio construction.

Given Ruffer's actively managed, multi-asset class and unconstrained investment strategy, the integration and stewardship approach aims to be consistent with and supportive to the overall investment strategy, helping to meet the investment aims. This should enhance investment decision making and risk management of portfolios and help to identify key areas of focus for stewardship activities with companies and, engagement with other stakeholders.

Ruffer has continued to develop formal workflows to assist the integration of ESG considerations into its investment process. Additional ESG datapoints are captured as a part of ongoing equity due diligence and stewardship processes and documentation continue to evolve.

Ruffer has recently enhanced a tool which calculates carbon metrics for equities and sovereign bonds at the portfolio and fund level, by adding an equity implied temperature rise (ITR) metric. These metrics form part of the annual Taskforce for Climate Related Financial Disclosures (TCFD) report, which addresses Ruffer's approach to considering climate-related risk. An annual Stewardship Report is also published, which highlights engagement and voting activities, in response to the UK Stewardship Code. Ruffer joined the Net Zero Asset Managers initiative (NZAM)[2] in March 2022 and set its targets in March 2023. When setting NZAM targets, Ruffer has focused on ensuring they support real world emissions reduction without limiting the ability to capture underappreciated transition opportunities.

As at 31 March 2025, calculated at firm level, Ruffer's performance against Targets 1, 2 and 3 are below:

Target 1: 80% of assets in scope aligned or aligning by 2030

- 25.8% of equities were aligned or aligning.

Target 2: By 2025, 70% of financed emissions in material sectors will be net zero or aligned with a net zero pathway, or the subject of engagement and stewardship actions. Increases to at least 90% by 2030.

- 57.7% of the portfolio was Under Engagement (which means Ruffer has engaged with the company in relation to climate or carbon matters within the past 12 months), with 2% of the portfolio currently aligned with Net Zero.

1 https://www.ruffer.co.uk/ri-policy

2 Nota bene: As of January 2025, NZAM announced it is suspending activities to track signatory implementation and reporting, removing the commitment statement and list of NZAM signatories from its website, pending the outcome of a review of the initiative.

Target 3: 50% reduction in emission intensity, adjusting the baseline to reflect shifts in asset allocation.

- The target is measured by backdating the portfolio as at 31/03/2025 as if it were in place at the baseline date of 31/12/2021. Using this approach, the equity portfolio is currently 79.1 (indexed to 100) meaning a 21.9% reduction in emission intensity. Given Ruffer is an active manager, the carbon intensity may increase or decrease depending on what companies and sectors considered attractive."

Results and dividends

The results for the year are shown in the Statement of comprehensive income on page 24. The primary performance indicator for the Company is considered to be the net asset value per share disclosed on page 25.

Subject to the provisions of the law, the Directors have full discretion to pay dividends on the shares. Apart from interest earned on cash deposits and other liquid investments, the only income available to the Company is likely to be income distributions received by the Company from the investee vehicles, and that in turn will depend upon dividends and income received by the investee vehicles on investments made by them. Dividends on shares issued will be paid in pounds sterling. The Directors do not recommend the payment of a dividend for the year (2024: £Nil).

Directors' statement

So far as each of the Directors is aware, there is no relevant audit information of which the Company's auditor is unaware, and each has taken all the steps he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

Ernst & Young LLP indicated their willingness to continue in office as auditors of the Company.

Statement of directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual report and Audited financial statements which gives a true and fair view, in accordance with applicable law and United Kingdom Accounting Standards, (FRS 102).

In preparing those 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 accounting standards have been followed, subject to any departure as disclosed 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 which disclose with reasonable accuracy at any time the financial position of the Company, and to enable them to ensure that the Financial Statements comply with The Companies (Guernsey) Law, 2008. The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud, error and non-compliance with law or regulations.

The Board of Directors confirms that, throughout the year covered by the Financial Statements, the Company complied with the Code of Corporate Governance issued by the Guernsey Financial Services Commission, to the extent it was applicable based upon its legal and operating structure and its nature, scale and complexity.

The Company is committed to zero tolerance towards the facilitation of tax evasion.

Substantial shareholders

As at 31 March 2025, the Company has been notified in accordance with applicable TISE Listing Rules of the following interests in the redeemable ordinary shares, which exceed 10% of the total shares in issue.

	Redeemable ordinary shares	% of total shares
The Bank Of New York Nominees Limited A/C 105666	404,038,667	40.6%
Pictet & Cie Ref Ruffer Sicav/Rtri	212,273,133	21.3%
Nortrust Nominees RSG01	126,581,748	12.7%

The Company has not been notified of any other interests in the redeemable ordinary shares, which exceed 10% of the total shares in issue, to the date of signing this report.

Signed on behalf of the Board by

Keith Betts
Director
6 June 2025

John Hallam
Director
6 June 2025

Investment Manager's report

In the period from 1 April 2024 to 31 March 2025, the Net Asset Value (NAV) per share of the Company fell by -7.2% from 62.92p to 58.4p[1]. Risk assets generally performed strongly, with the S&P 500 index rising by 6.5%, whilst credit spreads and volatility remained contained, creating a difficult market environment for the fund's underlying managers.

For the first 11 months of the period under discussion, equity markets continued their upward momentum from the previous year. Economic growth remained solid, whilst inflation cooled further, creating conditions conducive to strong risk asset performance. Through much of the spring and summer of 2024, markets benefitted from declining discount rates, as a result of expectations for an increasing degree of global monetary policy easing. Asset prices received a further boost in the autumn, driven by the perceived positive spending and deregulation policies associated with the US election outcome.

During this period, markets did experience a few brief instances of weakness. In June, credit spreads widened, due to increased political uncertainty following President Macron's decision to call a snap election in France. This was followed by a broader derisking event in August, as a Bank of Japan (BoJ) hike and weak US payrolls print caused a sharp strengthening of the Japanese Yen, forcing investors to dial back their risk exposure. The value of the protective instruments held by the Ruffer Illiquid Multi Strategies Fund 2015 Limited (RIMSF) managers did rise slightly into the US election, but the clear outcome led to a sharp decline in demand for downside protection immediately after the result. We then had a hawkish surprise at the December Federal Open Market Committee (FOMC) meeting, creating some weakness in risk assets into year end. Finally, markets did experience a minor fall in January, as the news broke that China's DeepSeek had built an AI model capable of challenging the US mega-caps, but for a fraction of the price. However, the negative impacts of all these events proved to be relatively limited and short-lived. The fund was not able to significantly monetise any of the brief positive returns generated, as the underlying strategies are designed to protect Ruffer portfolios against far larger market sell-offs.

The most significant decline in risk asset performance came in the final month of the period under discussion, as markets became more concerned with the potential for economic damage caused by the US administration's tariff plans. This policy risked both pushing inflation higher, thereby pulling up discount rates, whilst dragging down economic growth; an ugly combination for financial markets. Credit spreads started to widen and volatility increased, as fears of stagflation rose. We have already started to see initial signs of a deterioration in the growth outlook, with soft economic data indicators turning over as firms signal their increased concern about the outlook for business. The Fed's ability to ease policy in an economy of rising inflation will be limited, reducing

1 Calculated in accordance with United Kingdom Accounting Standards – UK GAAP (FRS 102).

the potential for a ‘central bank put’ to act as a backstop for the market, even if economic growth declines. Bonds are unlikely to be a good hedge for equities in this scenario, thus highlighting the importance of the protection provided by RIMSF to the broader Ruffer portfolio.

Saba and Chenavari posted negative returns for the year, as a result of the tightening in credit spreads and the negative carry associated with shorting credit. Peters were also down, as equity volume remained largely contained over the period, leading to a decay in the value of their options positions. 36 South were able to make a small positive return over the 12 months. Although they experienced negative performance on their long equity volatility strategies, FX volatility was better supported, balancing out losses on the former.

The fund completed a closing of £102m in August 2024. During the year, we made additional top-up investments of $72m with Saba, $45m with Peters, £15m with 36 South and £15m with Chenavari.

Discrete performance data, year ending 31 March 2025

To 31 Mar %	2021	2022	2023	2024	2025
RIMSF	4.2	3.6	1.2	-29.8	-7.2

Notes: Absolute returns (not annualised).

Source: Ruffer. Ruffer performance is shown after deduction of all fees and management charges, and on the basis of income being reinvested. Please note that past performance is not a reliable indicator of future performance. The value of the shares and the income from them can go down as well as up and you may not get back the full amount originally invested. The value of overseas investments will be influenced by the rate of exchange.

Ruffer AIFM Limited

6 June 2025

Portfolio analysis

Investment portfolio	Currency	Type of security	Holdings at 31 Mar 25 units	#Unrealised movement £	Total value of investment at 31 Mar 25 £	% of Total net assets
United Kingdom 8.54% (31.03.24 – 8.74%)						
Chenavari Multi Strategy Credit Fund Limited	GBP	Hedge fund	6,728,355	(165,270,014)	49,648,531	8.54
					49,648,531	8.54
Cayman Islands 54.58% (31.03.24 – 50.84%)						
Peters – RMSF Segregated Port Class A 010121	USD	Hedge fund	103,665	(14,326,664)	59,883,730	10.30
Peters – RMSF Segregated Port Class A 050123	USD	Hedge fund	19,000	(3,562,787)	11,612,325	2.00
Peters – RMSF Segregated Port Class A 100122	USD	Hedge fund	2,500	(794,472)	1,445,069	0.25
Peters – RMSF Segregated Port Class A 100124	USD	Hedge fund	13,000	(733,253)	9,050,378	1.56
Peters – RMSF Segregated Port Class A 090124	USD	Hedge fund	32,000	(1,917,091)	22,165,693	3.81
Saba Capital R Fund Ltd – Class C – Series 1	USD	Hedge fund	7,088	(26,987,343)	1,183,436	0.20
Saba Capital R Fund Ltd – Class C – Series 2	USD	Hedge fund	18,747	(46,658,589)	3,130,187	0.54
Saba Capital R Fund Ltd – Class C – Series 3	USD	Hedge fund	6,081	(13,809,885)	1,015,361	0.17
Saba Capital R Fund Ltd – Class C – Series 4	USD	Hedge fund	6,368	(13,721,410)	1,063,286	0.18
Saba Capital R Fund Ltd – Class C – Series 5	USD	Hedge fund	9,290	(18,116,602)	1,551,152	0.27
Saba Capital R Fund Ltd – Class C – Series 6	USD	Hedge fund	10,828	(24,543,408)	1,807,988	0.31
Saba Capital R Fund Ltd – Class C – Series 7	USD	Hedge fund	12,714	(28,051,790)	2,122,791	0.37
Saba Capital R Fund Ltd – Class C – Series 8	USD	Hedge fund	13,884	(32,193,076)	2,318,139	0.40
Saba Capital R Fund Ltd – Class C – Series 9	USD	Hedge fund	53,879	(29,783,621)	10,282,778	1.77
Saba Capital R Fund Ltd – Class C – Series 10	USD	Hedge fund	67,646	(37,428,326)	12,875,414	2.21
Saba Capital R Fund Ltd – Class D – Series 8	USD	Hedge fund	45,711	(18,772,852)	13,846,256	2.38
Saba Capital R Fund Ltd – Class D – Series 9	USD	Hedge fund	175,000	(49,067,267)	78,889,443	13.57
Saba Capital R Fund Ltd – Class D – Series 10	USD	Hedge fund	19,000	(12,033,797)	4,986,717	0.86
Saba Capital R Fund Ltd – Class D – Series 12	USD	Hedge fund	62,000	(24,387,258)	25,131,528	4.32
Saba Capital R Fund Ltd – Class D – Series 13	USD	Hedge fund	32,000	(1,227,502)	23,120,983	3.98
Saba Capital R Fund Ltd – Class D – Series 14	USD	Hedge fund	40,000	(197,343)	29,906,137	5.13
					317,388,791	54.58
Ireland 33.46% (31.03.24 – 33.60%)						
Sandawana Fund Class A	GBP	Hedge fund	203,476	27,869,160	194,568,060	33.46
					194,568,060	33.46
Total portfolio investments				(535,715,190)	561,605,382	96.58
Other net current assets					19,901,822	3.42
Total shareholders' equity					581,507,204	100.00

These amounts are cumulative and represent the movement between cost and fair value.

Independent Auditor's report to the Members of Ruffer Illiquid Multi Strategies Fund 2015 Limited

Opinion

We have audited the financial statements of Ruffer Illiquid Multi Strategies Fund 2015 Limited (the "Company") for the year ended 31 March 2025 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

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, including the UK 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

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. Our evaluation of the Directors assessment of the Company’s ability to adopt the going concern basis of accounting included the following:

- We made enquiries of the Directors to determine the appropriateness of the going concern basis of accounting;
- We obtained an understanding of and evaluated the appropriateness of the Director's assessment of the Company's ability to continue as a going concern;
- Obtaining the Director’s going concern assessment which comprised a cashflow forecast for the going concern period to 30 June 2026, acknowledging the liquidity of the Company’s investment portfolio and the significant net asset position, and tested the forecast for arithmetical accuracy;
- Challenging the appropriateness of the Investment Manager's forecasts by applying sensitivities to understand the impact on liquidity of the Company; and
- We evaluated the disclosures made in the Annual Report and financial statements regarding going concern to ascertain that they are in accordance with United Kingdom Accounting Standards.

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 to 30 June 2026.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company’s ability to continue as a going concern.

Overview of our audit approach

Key audit matters	Valuation of unquoted investments – Risk that the fair value of unquoted investments may be misstated due to application of inappropriate methodologies or inputs to the valuations and/or inappropriate judgemental factors.
Materiality	Overall materiality of £11.6m which represents 2% of the Company’s net asset value (“NAV”).

An overview of the scope of our audit

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the company and effectiveness of controls, changes in the business environment and the potential impact of climate change when assessing the level of work to be performed.

Climate change

The Company has explained climate-related investment process including climate commitments on pages 6 to 8 in the ‘Corporate Governance’ section of the Director’s Report and this forms part of “Other information”, rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the Company’s financial statements, or our knowledge obtained in the course of the audit, or otherwise appear to be materially misstated, in line with our responsibilities on “Other information”.

In planning and performing our audit we assessed the potential impacts of climate change on the Company’s business and any consequential material impact on its financial statements.

The Company has explained how climate change has been reflected in notes 2 and 11 of the financial statements.

Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating the adequacy of the Company’s disclosures in the financial statements as set out in Notes 2 and 11 and conclusion that there was no further impact of climate change to be taken into account as the investments are valued based on NAV.

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter or to impact a key audit matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included 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 our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Valuation of unquoted investments – Risk that the fair value of unquoted investments may be misstated due to application of inappropriate methodologies or inputs to the valuations and/or inappropriate judgemental factors. **(2025: £562 million; 2024: £486 million)** *Refer to Significant accounting policies (pages 28 to 32); and Note 4 and 11 of the Financial Statements (pages 32 and 38 to 41)* There is a risk that the fair value of unquoted investments may be misstated due to application of inappropriate methodologies or inputs to the valuations and/or inappropriate judgemental factors.	We documented our understanding of the processes, policies and methodologies used by management for valuing unquoted investments held by the Company and performed walkthrough tests to confirm our understanding of the systems and controls implemented; We obtained and evaluated the valuation memos from Ruffer LLP, the Company's Investment Manager, in support of each investment's value, including the assumption that the Company's share of the net asset value (NAV) of the investee is equivalent to the fair value of the investment; We obtained and evaluated the independent operational due diligence reports on the investee valuation and pricing policies of the fund manager of the investments;	We confirmed that there were no material matters arising from our audit work on the inputs used and the judgments made by management that we wish to bring to the attention of the Board of Directors.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
	We obtained independent investment confirmations directly from the third-party Administrators for 100% of the investments validating the existence and unaudited NAV of those investments; As all of the investments have non-coterminous year ends, we obtained the most recent audited financial statements and performed the following procedures: – Confirmed that the audit reports were unqualified and issued by an internationally recognised audit firm; – Assessed that the audited financial statements are prepared using fair value principles that are consistent with FRS 102; and – Agreed the NAV per unit in the audited financial statements to the NAV used at the corresponding valuation date.	

Risk	Our response to the risk	Key observations communicated to the Audit Committee
	We have performed additional procedures in order to understand the movement in fair value since the last audited NAV including enquiries of the Investment manager, inspection of the investor statements, assessing changes in the underlying portfolio, changes in market conditions and movements in foreign exchange rates: – Where movements exceeded our expectations, we performed detailed analysis to understand the driving forces of the movement by considering specific news and performance reports of the fund; and We verified that investments are carried in accordance with the Company's accounting policies and FRS 102 and that the unrealised gains/losses are accounted for correctly in the statement of comprehensive income.	

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the company to be £11.6 million (2024: £10.4 million), which is 2% (2024: 2%) of the Company's NAV. We believe that NAV provides us with an appropriate basis for audit materiality as this is a key published performance measure and is a key metric used by management in assessing and reporting on the overall performance of the Company.

During the course of our audit, we reassessed initial materiality and considered there to be no change from the basis determined at the audit planning stage. We have updated the value based on NAV as at 31 March 2025.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the company's overall control environment, our judgement was that performance materiality was 75% (2024: 75%) of our planning materiality, namely £8.7 million (2024: £7.8 million). We have set performance materiality at this percentage due to limited identification of audit findings in previous periods.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Board of Directors that we would report to them all uncorrected audit differences in excess of £0.6 million (2024: £0.5 million), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 in relation to which the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company; or
- the financial statements are not in agreement with the Company's accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 8, 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are the Companies (Guernsey) Law, 2008, the Protection of Investors (Bailiwick of Guernsey) Law, 2020 and the Registered Collective Investment Schemes Rules 2021 issued by the Guernsey Financial Services Commission (GFSC);
- We understood how the Company is complying with those frameworks by making enquiries of the Investment Manager, the Administrator and those charged with governance regarding;
  - their knowledge of any non-compliance or potential non-compliance with laws and regulations that could affect the Financial Statements;
  - the Company's methods of enforcing and monitoring non-compliance with such policies;
  - the Investment Manager and Administrator's process for identifying and responding to fraud risks, including programmes and controls the Company has established to address risks identified by the entity, or that otherwise prevent, deter and detect fraud;
  - how the Investment Manager and Administrator monitors those programmes and controls; and

  - the administration and maintenance of the Company's books and records which is performed by Northern Trust International Fund Administration Services (Guernsey) Limited which is a regulated firm, independent of the Investment Manager. We corroborated our enquiries through our review of Board minutes and any correspondence received from regulatory bodies. We also obtained their SOC1 controls report and reviewed it for findings relevant to the Company.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by;
  - obtaining an understanding of entity-level controls and considering the influence of the control environment;
  - making inquiries with those charged with governance as to how they exercise oversight of the Investment Manager and the Administrator's processes for identifying and responding to fraud risks and the controls established by management to mitigate specifically those risks the entity has identified, or that otherwise help to prevent, deter and detect fraud;
  - making inquiries with the Investment Manager and those charged with governance regarding how they identify related parties including circumstances related to the existence of a related party with dominant influence; and
  - making inquiries with the Investment Manager, administrator and those charged with governance regarding their knowledge of any actual or suspected fraud or allegations of fraudulent financial reporting affecting the Company.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved a review of Board minutes and inquiries of the Investment Manager and Administrator and those charged with governance including.
  - through discussion, gaining an understanding of how those charged with governance, the Investment Manager and Administrator identify instances of non-compliance by the Company with relevant laws and regulations;
  - inspecting the relevant policies, processes and procedures to further our understanding;
  - reviewing Board minutes and the Administrator's quarterly compliance reporting;
  - inspecting correspondence with the GFSC; and
  - obtaining relevant written representations from the Board of Directors.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://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 Company'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 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.

Ernst & Young LLP
Guernsey, Channel Islands
6 June 2025

Statement of comprehensive income

	Notes	For the year ended 31 Mar 25 £	For the year ended 31 Mar 24 £
Income			
Bank interest		835,458	1,009,374
Net unrealised gain on foreign currency		27,221	624,068
Total income		862,679	1,633,442
Loss			
Net movement in unrealised fair value loss on investments at fair value through profit or loss	11	(43,306,198)	(221,045,667)
Net realised loss on foreign currency		(223,009)	(1,360,578)
Total loss		(43,529,207)	(222,406,245)
Expenses			
Administrative expenses	3	(454,004)	(453,502)
Total expenses		(454,004)	(453,502)
Total comprehensive loss for the year		(43,120,532)	(221,226,305)
Basic loss per redeemable ordinary share (in pence)	12	(4.63)	(26.93)

All results shown above are from continuing operations and are attributable to shareholders of the Company.

The notes on pages 28 to 42 form an integral part of these financial statements.

Statement of financial position

	Notes	As at 31 Mar 25 £	As at 31 Mar 24 £
Non-current assets			
Investments at fair value through profit or loss	4, 11	561,605,382	486,593,199
Current assets			
Debtors	5	37,807	90,254
Cash at bank		20,069,537	35,658,298
		20,107,344	35,748,552
Current liabilities			
Creditors	6	(205,522)	(154,364)
		(205,522)	(154,364)
Net assets		581,507,204	522,187,387
Capital and reserves			
Share capital	7	616,844,644	514,404,295
Profit and loss account		(35,337,440)	7,783,092
Total shareholders' equity		581,507,204	522,187,387
Number of shares in issue	7	995,803,246	829,917,347
Net asset value per redeemable ordinary share (in pence)	13	58.40	62.92

These financial statements on pages 24 to 42 were approved by the Board of Directors and authorised for issue on 6 June 2025.

They were signed on its behalf by

Keith Betts
Director

John Hallam
Director

The notes on pages 28 to 42 form an integral part of these financial statements.

Statement of cash flows

	Notes	For the year ended 31 Mar 25 £	For the year ended 31 Mar 24 £
Net cash inflow/(outflow) from operating activities	A	262,050	(746,302)
Cash flow from investing activities			
Payments to acquire investments	4	(118,318,381)	(144,693,897)
Net cash outflow from investing activities		(118,318,381)	(144,693,897)
Cash flow from financing activities			
Shares issued in the year	7	102,440,349	116,227,967
Net cash inflow from financing activities		102,440,349	116,227,967
Net decrease in cash and cash equivalents	B	(15,615,982)	(29,212,232)
Notes			
A Cash flow from operating activities			
Total comprehensive loss for the year		(43,120,532)	(221,226,305)
Net unrealised gain on foreign currency		(27,221)	(624,068)
Net unrealised fair value loss on investments	11	43,306,198	221,045,667
Decrease in debtors		52,447	26,225
Increase in creditors		51,158	32,179
Net cash inflow/(outflow) from operating activities*		262,050	(746,302)
B Reconciliation of cash flow to movement in net cash			
Cash and cash equivalents at the beginning of the year		35,658,298	64,246,462
Net unrealised gain on foreign currency		27,221	624,068
Net cash outflow from activities		(15,615,982)	(29,212,232)
Cash and cash equivalents at the end of the year		20,069,537	35,658,298

* Net cash flow from operating activities for the year includes interest received of £885,476 (2024: £1,036,949)

The notes on pages 28 to 42 form an integral part of these financial statements.

Statement of changes in equity

For the year ended 31 March 2025	Note	Share capital £	Profit and loss account £	Total equity £
As at 31 March 2024		514,404,295	7,783,092	522,187,387
Shares issued during the year	7	102,440,349	–	102,440,349
Total comprehensive loss for the year		–	(43,120,532)	(43,120,532)
As at 31 March 2025		616,844,644	(35,337,440)	581,507,204

For the year ended 31 March 2024	Note	Share capital £	Profit and loss account £	Total equity £
As at 31 March 2023		398,176,328	229,009,397	627,185,725
Shares issued during the year	7	116,227,967	–	116,227,967
Total comprehensive income for the year		–	(221,226,305)	(221,226,305)
As at 31 March 2024		514,404,295	7,783,092	522,187,387

The notes on pages 28 to 42 form an integral part of these financial statements.

Notes to the financial statements

1 General information

The Company was incorporated in Guernsey on 4 November 2014 with registered number 59288 and is governed by The Companies (Guernsey) Law, 2008. The address of the registered office can be found on page 43.

The Company is a registered Closed-ended Investment Scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020 (the 'POI Law') and the Registered Collective Investment Scheme Rules and Guidance, 2021 issued by the Guernsey Financial Services Commission ('GFSC'). The Company's shares are listed on The International Stock Exchange ('TISE').

The financial statements are presented in Pound Sterling (£) which is also the functional currency, being the currency of the primary economic environment in which the Company operates.

The Company's investment objective is to seek to generate positive returns over the life of the Company from financial market cycles, after fees and expenses, including but not limited to investing in strategies focusing on credit and volatility.

2 Significant accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements. Critical accounting judgements and key sources of uncertainty where such judgements are made are indicated in the accounting policies below.

a) Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention as modified by the fair value of certain financial assets. The financial statements of the Company for the year ended 31 March 2025 have been prepared in accordance with FRS 102 issued by the Financial Reporting Council and in accordance with The Companies (Guernsey) Law, 2008.

In arriving at their conclusion on the basis of going concern, the Directors have considered –

Financial resources, business plans and management intentions – the Company's net assets at 31 March 2025 of £581,507,204 and the cash balance at 31 March 2025 of £20,069,537, together with the facts that:

- annual operating expenditure of the Company is not considered material, and
- there are no current intentions to liquidate or close down the Company in the ensuing period to 30 June 2026.

For these reasons, the Directors continue to adopt the going concern basis in preparing the financial statements.

b) Income and expenses

Income and expenses are included in the Statement of comprehensive income on an accruals basis. Income is recognised to the extent that it is virtually certain that the economic benefit will flow to the company and revenue can be reliably measured.

c) Cash at bank

Cash and cash equivalents in the Statement of financial position comprise cash at banks and in hand and short-term deposits with an original maturity date of three months or less.

d) Equity

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity is recorded at the amount of proceeds received, net of issue costs. The redeemable ordinary shares of the Company have been recognised as equity as there is no contractual obligation to deliver cash or another financial asset. Shares are redeemable only at the option of the Company and have no par value.

e) Financial instruments

I Classification

The Company classifies its investments as financial assets at fair value through profit or loss.

Investments are classified by the Board of Directors at fair value through profit or loss at inception and their performance is evaluated on a fair value basis in accordance with the Company's documented investment strategy.

II Recognition and derecognition

Investments are recognised on the trade date – the date on which the Company commits to purchase or sell the investment at transaction price with transaction costs being expensed as incurred in the Statement of comprehensive income.

Subsequent to initial recognition, gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss are presented in the Statement of comprehensive income as "net movement in unrealised fair value gain/loss on investments at fair value through profit or loss" in the year in which they arise. Movements in the fair value of assets as a result of foreign currency movements are also presented in the Statement of comprehensive income within "net movement in unrealised fair value gain/loss on investments at fair value through profit or loss". The Company's policy requires the Investment Manager to re-evaluate the fair value of these financial assets using relevant financial and non-financial information as described in III, below.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership. Gains or losses are recognised in the Statement of comprehensive income as "Realised gain on investments at fair value through profit or loss" or "Realised loss on investments at fair value through profit or loss" when the financial asset is derecognised. Gains or losses are calculated as the difference between the proceeds from sale of a financial asset(s) minus cost of the financial asset at the date of disposal. Interest, distributions and dividend elements of such investments are recorded separately under 'income'.

III Fair value estimation

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.

When financial instruments are not traded in an active market, the fair value is determined by using appropriate valuation techniques. In valuing investments at fair value, reference is made to the principles detailed in the International Private Equity and Venture Capital Valuation Guidelines (the 'IPEVCA Guidelines'). The estimate of value considers principally the valuations provided by the Investment Manager/Administrator of each Investee Vehicle into which the Company invests. An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 11.

f) Critical accounting judgement and estimation uncertainty

The preparation of the financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

The items in the financial statements where these estimates have been made include:

Investments at fair value through profit or loss

All investments are classified as investments at fair value through profit or loss. The key source of estimation uncertainty is on the valuation of the managed funds and other securities which are not traded in active markets. In reaching its valuation of the managed funds and other securities, the key judgements that the Board has to make relate to the valuation models and techniques.

g) Taxation

The Company has requested Exempt Status under the terms of The Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 to income tax in Guernsey. Its liability for the financial year is an annual fee of £1,600.

h) Foreign currency

Transactions denominated in foreign currencies are translated into Pound Sterling and are recorded at the rate of exchange ruling at the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the Statement of financial position date exchange rate and foreign exchange translation differences are accounted for in the Statement of comprehensive income.

i) Debtors

Debtors at the Statement of financial position date are initially measured at transaction price and subsequently measured at amortised cost.

j) Creditors

Creditors at the Statement of financial position date are initially measured at the transaction price and subsequently measured at amortised cost.

k) Issue costs

Issue costs relating to share issues are debited against share capital as required under FRS 102. For the purpose of calculating and publishing the Company’s net asset value, issue costs are amortised over three years on a straight line basis. No issue costs were incurred during the period.

l) Determination of functional currency

Pound Sterling is the currency used to manage the liquidity in order to handle the issue and redemption of the Company's participating shares and accordingly, the Board has determined that the Company's functional and presentation currency is Pound Sterling.

m) Climate change

In preparing the financial statements, the Directors have considered the impact of climate change risk and have concluded that it does not have a material impact on the value of the Company's investments. In line with FRS 102, investments are valued at fair value as disclosed in Note 4. The Directors consider that the pricing of the underlying portfolio of the Company's investments reflects market participants' views of climate change risk and that there are no further climate related influences.

3 Administrative expenses

	For the year ended 31 Mar 25 £	For the year ended 31 Mar 24 £
Administration fees	156,113	161,925
Directors' fees	131,250	111,563
Legal and professional fees	7,184	26,075
Audit fees	62,000	59,600
Custodian fees	3,347	2,963
General expenses	94,110	91,376
	454,004	453,502

4 Investments at fair value through profit or loss

	31 Mar 25 £	31 Mar 24 £
Opening book cost	979,002,191	834,308,294
Payments to acquire investments	118,318,381	144,693,897
Closing book cost	1,097,320,572	979,002,191
Net unrealised fair value loss on investments	(535,715,190)	(492,408,992)
Investments at fair value through profit or loss	561,605,382	486,593,199

5 Debtors

	31 Mar 25 £	31 Mar 24 £
Prepaid expenses	3,176	5,605
Bank interest income receivable	34,631	84,649
	37,807	90,254

6 Creditors

	31 Mar 25 £	31 Mar 24 £
Administration fees	90,337	24,301
Audit fees	62,000	59,600
Realisation class fee	–	2,000
Custody fees	493	1,000
General expenses	24,650	9,194
Other professional expenses	28,042	58,269
	205,522	154,364

7 Share capital

	31 Mar 25 £	31 Mar 24 £
Issued share capital:		
Opening share capital	514,404,295	398,176,328
Shares issued during the year	102,440,349	116,227,967
Closing share capital	616,844,644	514,404,295
Number of shares:		
Opening number of shares	829,917,347	700,194,145
Shares issued during the year	165,885,899	129,723,202
Closing number of shares	995,803,246	829,917,347

The Company's share capital is represented by redeemable ordinary shares of nil par value, and each share carries one vote at the general meetings of the Company. All shares rank equally and are entitled to dividends should they be declared.

On 24 April 2023, 129,723,201 shares of no par value were admitted to the official list of the TISE. These shares were issued at £0.895969 per share and the Company received gross proceeds of £116,227,967.

On 20 August 2024, 165,885,900 shares of no par value were admitted to the official list of the TISE. These shares were issued at £0.617535 per share and the Company received gross proceeds of £102,440,349.

Capital management

The fair value of the Company's financial assets and liabilities approximate to their carrying amounts at the reporting date. For the purposes of this disclosure, shares are considered to be capital.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. There are no externally-imposed capital requirements on the Company.

The Company may borrow to meet any drawdown demand from an investee vehicle or funding obligation for a direct investment within the time limits set out in such demand where it does not have sufficient liquid assets to meet such demand and for the purpose of intra-day settlement. The Company may arrange an overdraft facility for such purposes. The Company may pledge or otherwise grant security over its assets in connection with such borrowings. Other than borrowing to meet any such draw down demand, funding obligation and for intra-day settlement, no borrowing is permitted at the Company level.

The Directors may at their discretion redeem shares to return to investors, any capital amounts not committed to investee vehicles or direct investments and to pay capital amounts received by the Company from investee vehicles and direct investments, which in either case are not required to fund the Company's fees and expenses or to fund further drawdowns or obligations.

Refer to Financial instruments and risk management objectives and policies (Note 9) for the policies and processes applied by the Company in managing its risk regarding capital preservation. The Company has no obligation to repurchase shares.

8 Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions so as to obtain benefits from its activities or is a member of its key management personnel.

The Directors are responsible for the determination of the investment policy of the Company and have overall responsibility for the Company's activities.

From 1st January 2024 the basic fee payable to the Chairman was £31,250 (2024: £31,250) per annum, while the other Directors were entitled to £25,000 (2024: £25,000) per annum. Following a remuneration review during February 2024, the Chairman's fee was increased to £31,250 per annum (previously £25,000) and all other Directors' fees increased to £25,000 (previously £20,000). The increases were effective from 1 January 2024. None of the Directors nor the Chairman has an entitlement to a pension or other benefits.

During the year to 31 March 2025, Directors' fees of £131,250 (31 March 2024: £111,563) were charged to the Company as shown in Note 3 of which £nil (31 March 2024: £nil) remained payable at the year end as shown in Note 6. There were no material contracts with any of the Directors, or contracts for provision of services subsisting during the year, to which the Company was a party.

The Company has appointed Ruffer AIFM Limited to act as the Company's Investment Manager (the 'Investment Manager'). Ruffer AIFM Limited is authorised and regulated by the U.K. Financial Conduct Authority to perform the regulated activity of managing the unauthorised Alternative Investment Fund.

The Investment Manager has been appointed as Alternative Investment Manager to the Company by the Alternative Investment Fund Services Agreement dated 4 November 2014. Under this agreement, the Investment Manager agrees to perform various management duties. These include seeking out and evaluating investment opportunities, monitoring and analysing the performance of the Company's investments, liaising with the Administrator, attending board meetings of the Company as required and undertaking adequate due diligence into proposed investments. This agreement is terminable by either party on twelve months' notice (such notice to be served not earlier than two years after the date of the agreement) or for breach or on insolvency.

9 Financial instruments and risk management objectives and policies

The Company's objective in managing risk is the creation and protection of shareholder value. Risk is inherent in the Company's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The Company is exposed to market risk (which includes interest rate risk, and foreign exchange risk), credit risk and liquidity risk arising from the financial instruments it holds.

The Company's Investment Manager is responsible for identifying and controlling investment risks. The Board of Directors supervises the Investment Manager and is ultimately responsible for the overall risk management of the Company.

Prior to making an investment on behalf of the Company, and on an ongoing basis thereafter, the Investment Manager performs appropriate due diligence, which includes an assessment of the valuation methodology adopted by the underlying investment and its own operational processes and controls. The Board of Directors approves the underlying investment valuations.

Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates and foreign exchange rates.

The Company has a significant exposure to market risks by virtue of the nature of its business. The Company seeks to manage this exposure by ensuring appropriate due diligence in selecting investments and engages in an ongoing monitoring process of its investments.

Were the market prices to move by 20%, this would result in an increase/decrease of £112,321,076 in net assets and profit or loss (31 March 2024: £97,318,640).

Interest rate risk

Floating rate financial assets comprise the cash balances which bear interest at rates based on bank base rates. The Company could be subject to exposure on those assets which are interest-bearing, however during the current year, the Company did not have any interest bearing investments other than cash, the interest on which was immaterial in nature and therefore no sensitivity analysis was disclosed.

Foreign exchange risk

Foreign exchange risk is the market risk that the fair value of future cash flows of financial instruments will fluctuate because of a change in foreign exchange rates. During the year, the Company was exposed to foreign exchange risk arising from currency exposures, primarily where investments and cash and cash equivalents are denominated in a currency different to the reporting currency. The Investment Manager has the power to manage exposure to currency movements by using forward foreign currency contracts. As at 31 March 2025, the Company had no open forward foreign currency contracts (31 March 2024: £nil).

The Company's exposure to foreign currencies at the year end is set out below –

		31 Mar 25		31 Mar 24	
		Local currency	£ equivalent	Local currency	£ equivalent
Investments at fair value through profit or loss	USD	409,669,617	317,388,793	335,387,215	265,495,503
Cash at bank	USD	830,294	643,265	784,293	620,853
Debtors	USD	1,029	797	1,935	1,532
Creditors	USD	(24,440)	(18,935)	(32,529)	(25,750)
			318,013,920		266,092,138

As at 31 March 2025, the Company had significant exposure to US Dollar as a result of financial assets designated at fair value through profit or loss. The table below shows the effect on NAV and profit/loss for the year if the foreign currencies strengthened/weakened against Pound Sterling by 5% with all other variables held constant.

	31 Mar 25		31 Mar 24	
	Strengthened £	Weakened £	Strengthened £	Weakened £
USD	15,900,696	(15,900,696)	13,304,607	(13,304,607)

Credit risk

The Company has exposure to credit risk from its normal activities where the risk is that a counterparty will be unable to pay in full an amount when due. The Company's maximum exposure to credit risk is represented by the carrying value of its current assets on the Statement of financial position amounting to £20,107,344 (31 March 2024: £35,748,552). There are no aged debts within debtors.

The Company's Custodian and banker is Northern Trust (Guernsey) Limited, a wholly-owned subsidiary of The Northern Trust Corporation which has a credit rating of A+ (31 March 2024: A+) from Standard and Poor's and A2 (31 March 2024: A2) from Moody's. The Company's investments are held in accounts which are segregated from the Custodian's own trading assets. If the Custodian were to become insolvent, the Company's right of ownership is clear and they are, therefore, protected. However, the Company's cash balances, which are all held with the Custodian, may be at risk in this instance as the Company would rank alongside other creditors of the Custodian.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises due to the Company investing primarily in illiquid assets, and therefore not being able to readily realise cash to settle those financial liabilities. The Company invests primarily in illiquid investments and as such there is a lack of an active market for those investments.

The Investment Manager intends to manage the Company's liquid assets to ensure that it has sufficient cash to satisfy funding obligations for direct investments. However, the Company may borrow to meet any draw down demand from an investee vehicle or funding obligation for a direct investment within the time limits set out in such demand where it does not have sufficient liquid assets to meet such demand. The Company may also borrow for the purpose of intra-day settlement. The Company may arrange an overdraft facility for such purposes. Other than borrowing to meet any such draw down demand, funding obligation, or intra-day settlement, no borrowing is permitted at the Company level.

The Company's only financial liabilities are its payables which mature in less than 12 months from 31 March 2025 and therefore, a maturity analysis has not been presented.

10 Ultimate controlling party

The issued shares of the Company are owned by a number of parties with no single party having a controlling interest in the Company. In the opinion of the Directors, the Company does not have an ultimate controlling party.

11 Fair value of financial instruments

The Company invests in managed funds and other securities that do not have readily assessable market values. In this instance, investments are valued at fair value, which is principally based on the Company's share of the NAV published by the underlying administrator or manager. The Investment Manager reviews the methods and policies used by the underlying administrators and managers to price underlying investments as well as the published NAVs. In addition, the Investment Manager reviews any recent events that may have an impact on the value of such security and/or any other available assessment.

The Investment Manager considers climate change risk as part of its ESG approach and has assessed that the impact of climate change risk is reflected in the value of the underlying investments.

The Directors consider the Investment Manager's analysis and views and adjust NAV, where necessary, to derive fair values that are supported by market evidence as well as using unobservable information. Such adjustments also reflect the effect of the time passed since the calculation date, liquidity risk, transaction activity or other factors, see note 2 (e)III.

Portfolio investments may have underlying investments in or exposure to a range of credit instruments, including but not limited to, credit default swaps, bonds, credit-linked notes and similar instruments. The fair values of the structured credit investments in such instruments are calculated using a number of methods, including broker quotes and valuation models which are accepted in the industry. The valuations incorporate both observable and non-observable data.

The NAVs may be unaudited or estimated at the date of these financial statements. The Company bases its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The fair values applied do not necessarily represent the amounts that may be ultimately realised due to the occurrence of future circumstances that cannot be reasonably determined at this time. Because of the inherent uncertainty of valuations, estimated fair values may be materially higher or lower than the values that would have been used in different market conditions.

The Directors have concluded that no adjustments are required to those investments whose value is derived from the NAV at the end of the year. The total value of investments being measured based on NAV at 31 March 2025 is £561,605,382 (31 March 2024: £486,593,199) resulting in a net movement in unrealised fair value loss on investments at fair value through profit or loss for the year ended 31 March 2025 of £43,306,198 (31 March 2024: £221,045,667) which was driven by the factors outlined in the Investment Manager's report (page 10).

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on –

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- those with inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The valuation technique for Level 3 investments can be divided into three groups:

– NAV – as reported by the underlying fund where the Investment Manager considers the NAV to be an appropriate reflection of fair value,
– adjusted NAV – NAV as reported by the underlying fund adjusted at the Investment Manager's discretion for future cash flows or variances based on their own evaluation, and
– recent transactions – where there has been a successful transaction following a competitive process subsequent to year end through a sale of investments by the Company that is representative in volume and nature and conducted on an arm's length basis, this is taken as the primary driver for valuing Level 3 investments.

Financial assets at fair value through profit or loss

	Level 1 £	Level 2 £	Level 3 £	As at 31 Mar 25 Total £
Investments at fair value through profit or loss	–	–	561,605,382	561,605,382
	–	–	561,605,382	561,605,382

	Level 1 £	Level 2 £	Level 3 £	As at 31 Mar 24 Total £
Investments at fair value through profit or loss	–	–	486,593,199	486,593,199
	–	–	486,593,199	486,593,199

The following table shows a reconciliation of all movements in the fair value of financial instruments categorised within Level 3 between the beginning and end of the year.

	For the year ended 31 Mar 25 £	For the year ended 31 Mar 24 £
Opening balance	486,593,199	562,944,969
Net loss on investments	(43,306,198)	(221,045,667)
Purchases	118,318,381	144,693,897
Closing balance	561,605,382	486,593,199

	For the year ended 31 Mar 25 £	For the year ended 31 Mar 24 £
Comprising:		
Cost at the end of the year	1,097,320,572	979,002,192
Unrealised gains at the end of the year	(535,715,190)	(492,408,993)
	561,605,382	486,593,199
Total movement in gains or losses included in profit or loss includes:		
Total movement in unrealised loss included in profit or loss for the year for financial assets held at the end of the year	(43,306,198)	(221,045,667)

There have been no transfers between levels during the year.

12 Basic loss per ordinary share

The basic loss per ordinary share has been calculated on a weighted average basis and is arrived at by dividing the total comprehensive loss attributed to ordinary shares for the year by the weighted average number of equity shares in issue.

	For the year ended 31 Mar 25	For the year ended 31 Mar 24
Total comprehensive loss attributable to ordinary shares for the year (£)	(43,120,532)	(221,226,305)
Total weighted shares	931,266,813	821,410,907
Basic loss per redeemable ordinary share (in pence)	(4.63)	(26.93)

13 Reconciliation of reported net asset value to net asset value per financial statements

	For the year ended 31 Mar 25 pence	For the year ended 31 Mar 24 pence
Reported Net Asset Value (in pence)	58.39	62.89
Adjustment due to –		
Adjustment to the fair value of investments	–	0.03
Net assets attributable to shareholders per financial statements (in pence)	58.39	62.92

14 Subsequent events

Management has evaluated subsequent events up to 6 June 2025, which is the date that the financial statements were available to be issued.

No significant events have occurred after the Statement of financial position date in respect of the Company that may be deemed relevant to the accuracy of these financial statements.

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