

ICG UCITS FUNDS (IRELAND) PLC

(an open-ended variable capital investment company incorporated under the laws of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011) as amended and the Central Bank (Supervision & Enforcement) Act 2013 (Section 48(1))
(Undertaking for Collective Investment in Transferable Securities) Regulations 2019)

Semi-Annual Report and Unaudited Financial Statements

For the financial period from 1 April 2019 to 30 September 2019

Registration Number: 523039

COMPANY INFORMATION

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The accompanying notes form an integral part of the financial statements

COMPANY INFORMATION

DIRECTORS	John Skelly (Irish) – Independent of the Investment Manager Roddy Stafford (Irish) – Independent Jason Vickers (UK) All Directors are non-executive
REGISTERED OFFICE	2nd Floor, Block E Iveagh Court Harcourt Road Dublin 2 Ireland
ADMINISTRATOR	SS&C Financial Services (Ireland) Limited La Touche House Custom House Dock IFSC Dublin 1 Ireland
LEGAL ADVISOR (as to Irish Law)	Maples & Calder 75 St. Stephen's Green Dublin 2 Ireland
INDEPENDENT AUDITOR	Ernst & Young Harcourt Centre Harcourt Street Dublin 2 Ireland
MANAGER	Carne Global Fund Managers (Ireland) Limited 2 nd Floor, Block E Iveagh Court Harcourt Road Dublin 2 Ireland
INVESTMENT MANAGER, DISTRIBUTOR, AND UK FACILITIES AGENT	Intermediate Capital Managers Limited Juxon House 100 St. Paul's Churchyard London EC4M 8BU United Kingdom
DEPOSITARY SERVICES PROVIDER	Citi Depositary Services Ireland Designated Activity Company 1 North Wall Quay Dublin 1 Ireland

COMPANY INFORMATION(Continued)

COMPANY SECRETARY	Carne Global Financial Services Limited 2nd Floor, Block E Iveagh Court Harcourt Road Dublin 2 Ireland
FRENCH CENTRALISING CORRESPONDENT	Caceis Bank 1-3 Place Valhubert 75013 Paris France
SPANISH DISTRIBUTOR	Seleccion e Inversion de Capital Global Agencia de Valores, S.A. Calle Maria Francisca 9 28002 Madrid Spain
SWEDISH REPRESENTATIVE	Arctic Fund Management AS Stockholm Filial Biblioteksgatan 8 111 46 Stockholm Sweden
INFORMATION AGENT IN GERMANY**	GerFIS – German Fund Information Service UG (Haftungsbeschränkt) Zum Eichhagen 4 21382 Brietlingen Germany

** The Prospectus, the key investor information documents, the Memorandum and Articles of Association of the Company, as well as the audited annual accounts and half-yearly accounts are available free of charge pursuant to Sec. 297(1) of the German Capital Investment Code from the office of the German Information Agent as specified above.

The accompanying notes form an integral part of the financial statements

INVESTMENT MANAGER'S REPORT
For the financial period ended 1 April 2019 to 30 September 2019

ICG High Yield Bond Fund

Period 1st April – 30th September

The fund returned 4.11% gross / 3.72% net for the period, compared to the benchmark return of 2.99%.

With no material shift in sentiment through April, risk assets continued their run of positive performance. The ECB again committed to a more dovish stance, signalling once more that there is scope for additional monetary stimulus later in the year if needed. Inflation in Europe continued to be muted, and while services PMIs continued to increase, manufacturing PMI data remained an additional concern. The start of the US earnings season added additional support to markets with positive surprises across a number of sectors in April.

European high yield was up during the month with a return of 1.32% (HEAG) as spreads tightened 29bps. Primary issuance was relatively large in the high yield bond market however, with €9.0bn coming to market in April.

After a positive run since the turn of the year, risk assets reversed significantly in May. As the US-China trade negotiations broke down and planned tariff increases came into force, markets displayed greater growth concerns leading to a switch into relatively safer assets.

Sovereign yields fell globally (US 10yr -0.38%, German 10yr -0.19%, UK 10yr -0.30%) and equity markets posted their worst monthly returns in 2019 (S&P 500 -6.35%, FTSE 100 -2.86%, EuroStoxx 50 -5.07% (local currency returns)). Whilst the Fed itself had not indicated any change in policy, the market increased its forecast that there will be two or more rate cuts this year, further helping push yields to recent lows and leading the US yield curve to invert at times.

The European high yield market was down -1.44% (ICE BAML HEAG, EUR hedged) in May. This was on the back of both the general increase in risk aversion and also a few names, such as Thomas Cook and Lecta, falling by more than 20 points in the month. The fund has no exposure to either of these assets. All sectors delivered negative returns, whilst BB names outperformed B and CCC credits. Issuance May was robust at €7.3bn bringing the YTD issuance up to €25.9 bn

During June, both the Federal Reserve and ECB sent strong signals that a shift to an expansionary policy stance was likely in upcoming meetings. The dovish outlook was centred on concerns over slowing economic growth and rising trade tensions. Equity markets rose on the statements and sovereign yields fell sharply.

The European high yield market returned 2.24% (ICE BAML HEAG, EUR Hedged) for the month, as the market benefited from both the fall in sovereign yields and tightening spreads. Primary issuance totalled €3.4bn during the month. For the second quarter, European high yield returned 2.09% (ICE BAML HEAG, EUR Hedged).

Throughout July, markets were supported by the prospect of dovish central bank policy decisions. Indeed, on the last day of the month the Federal Reserve cut rates for the first time since 2008. However, in the aftermath of the 25bps reduction, equities weakened and US treasuries rallied. Investors had been pricing in greater certainty regarding further rate cuts, which did not come in the commentary provided by Chairman Powell. In Europe, Christine Lagarde was confirmed as the new President of the ECB. This was seen as reassuring for markets given her previous support for accommodative monetary policy.

The European High Yield market was positive in July, returning +0.59% (ICE BAML HEAG, EUR Hedged). Primary issuance was over double June numbers, with €7.86bn coming to market.

INVESTMENT MANAGER'S REPORT(Continued)
For the financial period ended 1 April 2019 to 30 September 2019

ICG High Yield Bond Fund (Continued)

Period 1st April – 30th September (Continued)

As further escalation in the US/China trade situation occurred during August, financial markets remained volatile. Throughout the month, economic indicators also showed signs of a slowing global economy. PMI indicators in the US, Europe & UK all displayed a trend of slowing growth, with the US manufacturing PMI dropping below 50 for the first time since 2009. Sovereign yields fell during the month, leading to yield curves in both the US and UK inverting.

The European High Yield market was up +0.64% during the month. In the seasonally quiet month of August, just €1.26bn of primary issuance came through in the European loan and High Yield bond markets with €0.94bn of this issued in the Bond market.

September was a volatile period for markets, with markets whipsawed by conflicting US-China trade war news, growth data and monetary policy developments. Risk assets performed well in the early part of the month as trade tensions lessened on the back of Trump's postponement of tariff increases. The positive mood didn't last long however, with weak global PMIs knocking back sentiment and pushing US and German government bond yields back towards all-time lows. The Fed cut its target rate 25bps for the second consecutive month as expected and the ECB lowered its target rate 10bps to -50bps and announced it will resume government and corporate bond buying in November.

The High Yield market fell -0.34% (ICE BAML HEAG, EUR hedged) along with broader risk assets. Substantial primary issuance came to both the Loan and High Yield bond market during September, with €8.42bn and €9.08bn issued in the European Loan and High Yield markets respectively

Outlook

Looking forward, we expect volatility relating to geopolitical issues to continue. Also, the slowing economic data will impact corporate profitability. However, corporate balance sheets remain in fairly good shape and defaults remain low, which should enable the fund to find attractive risk adjusted opportunities.

Brexit

ICG has set up an AIFM in Luxembourg and has successfully migrated its closed end funds to that entity. For the open ended vehicles ICG are continuing to monitor things and will come to a conclusion after some direction after the General Election.

Intermediate Capital Managers Limited
15 November 2019

The accompanying notes form an integral part of the financial statements

ICG UCITS FUNDS (IRELAND) PLC

STATEMENT OF FINANCIAL POSITION
As at 30 September 2019

	Note	ICG High Yield Fund 30-Sep-2019 EUR	Total 30-Sep-2019 EUR	ICG High Yield Fund 31-Mar-2019 EUR	Total 31-Mar-2019 EUR
Assets					
Cash and cash equivalents	6	783,245	783,245	712,979	712,979
<i>Financial assets at fair value through profit or loss:</i>					
Investments in transferable securities and financial derivative instruments	4	36,227,149	36,227,149	34,204,201	34,204,201
Due from broker		188,552	188,552	244,873	244,873
Other receivables	5	1,094,876	1,094,876	1,094,691	1,094,691
Total assets		38,293,822	38,293,822	36,256,744	36,256,744
Liabilities					
<i>Financial liabilities at fair value through profit or loss:</i>					
Investments in financial derivative instruments	4	(33,284)	(33,284)	(10,394)	(10,394)
Due to broker		(1,093,667)	(1,093,667)	(505,313)	(505,313)
Other payables and accrued expenses	7	(339,642)	(339,642)	(306,269)	(306,269)
Total liabilities		(1,466,593)	(1,466,593)	(821,976)	(821,976)
Net assets attributable to holders of redeemable shares		36,827,229	36,827,229	35,434,768	35,434,768

Net Asset Value per Redeemable Share

	30-Sep-2019	31-Mar-2019	31-Mar-2018
Class A Euro Acc			
Number of shares per class	8,544.75	8,544.75	8,544.75
Net Asset Value per share	EUR179.94	EUR173.49	EUR169.60
Net Asset Value	EUR1,537,514	EUR1,482,412	EUR1,449,148
Class A Euro Dist			
Number of shares per class	10,000.03	10,000.03	10,000.03
Net Asset Value per share	EUR113.82	EUR111.46	EUR111.82
Net Asset Value	EUR1,138,187	EUR1,114,577	EUR1,118,239
Class A USD Acc Hedged			
Number of shares per class	2,963.16	2,963.16	2,963.16
Net Asset Value per share	USD196.00	USD186.25	USD177.25
Net Asset Value	USD580,789	USD551,893	USD525,227

STATEMENT OF FINANCIAL POSITION
As at 30 September 2019

	30-Sep-2019	31-Mar-2019	31-Mar-2018
Class B Euro Acc			
Number of shares per class	85,000.00	85,000.00	85,000.00
Net Asset Value per share	EUR105.09	EUR101.58	EUR99.79
Net Asset Value	EUR8,932,390	EUR8,633,885	EUR8,482,446
Class D Euro Acc			
Number of shares per class	127,043.03	127,043.03	127,043.03
Net Asset Value per share	EUR194.32	EUR186.65	EUR181.10
Net Asset Value	EUR24,686,402	EUR23,712,383	EUR23,007,115

The accompanying notes form an integral part of the financial statements

ICG UCITS FUNDS (IRELAND) PLC

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 30 September 2019

		ICG High Yield Fund 30-Sep-2019 EUR	Total 30-Sep-2019 EUR	ICG High Yield Fund 30-Sep-2018 EUR	Total 30-Sep-2018 EUR
	Note				
Investment income					
Interest income		971,357	971,357	923,437	923,437
Net gain/(loss) on financial assets and liabilities at fair value through profit or loss	11	798,747	798,747	(180,598)	(180,598)
Net gain on foreign exchange		25,718	25,718	120,567	120,567
Fee reimbursement	3	11,919	11,919	21,857	21,857
Net investment income		1,807,741	1,807,741	885,263	885,263
Expenses					
Interest expense		(120,904)	(120,904)	(88,162)	(88,162)
Administration fee	3	(59,688)	(59,688)	(59,623)	(59,623)
Depository fee	3	(24,127)	(24,127)	(23,741)	(23,741)
Investment management fee	3	(67,109)	(67,109)	(63,920)	(63,920)
Directors' fee	3	(16,003)	(16,003)	(15,828)	(15,828)
Other expenses	3	(110,229)	(110,229)	(94,997)	(94,997)
Total operating expenses		(398,060)	(398,060)	(346,271)	(346,271)
Total comprehensive income from operations		1,409,681	1,409,681	538,992	538,992
Finance costs					
Withholding tax		-	-	(2,784)	(2,784)
Distributions	17	(17,220)	(17,220)	(14,576)	(14,576)
Total comprehensive income attributable to holders of redeemable shares		1,392,461	1,392,461	521,632	521,632

The accompanying notes form an integral part of the financial statements

ICG UCITS FUNDS (IRELAND) PLC

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE
SHARES**

For the financial period from 1 April 2019 to 30 September 2019

	ICG High Yield Fund 30-Sep-2019 EUR	Total 30-Sep-2019 EUR	ICG High Yield Fund 30-Sep-2018 EUR	Total 30-Sep-2018 EUR
Balance at the beginning of the financial period	35,434,768	35,434,768	34,484,014	34,484,014
Change in net assets attributable to holders of redeemable shares during the financial period	1,392,461	1,392,461	521,632	521,632
Issue of redeemable shares during the financial period	-	-	-	-
Balance at the end of the financial period	36,827,229	36,827,229	35,005,646	35,005,646

The accompanying notes form an integral part of the financial statements

STATEMENT OF CASH FLOWS
For the financial period from 1 April 2019 to 30 September 2019

	ICG High Yield Fund 30-Sep-2019 EUR	Total 30-Sep-2019 EUR	ICG High Yield Fund 30-Sep-2018 EUR	Total 30-Sep-2018 EUR
Operating activities				
Adjustments for:				
Proceeds from sale of investments - principal	19,443,430	19,443,430	16,322,979	16,322,979
Proceeds from sale of investments – gain /(loss)	326,126	326,126	(675,698)	(675,698)
Purchase of investment securities	(20,970,866)	(20,970,866)	(17,553,350)	(17,553,350)
Due from broker	56,321	56,321	(152,154)	(152,154)
Due to broker	588,354	588,354	1,366,557	1,366,557
Interest received	977,602	977,602	938,426	938,426
Interest paid	(120,904)	(120,904)	(88,162)	(88,162)
Expenses paid	(238,295)	(238,295)	(241,019)	(241,019)
Net cash flows provided by/(used in) operating activities	61,768	61,768	(82,421)	(82,421)
Financing activities				
Proceeds from subscriptions of redeemable shares	-	-	-	-
Distributions paid	(17,220)	(17,220)	(14,576)	(14,576)
Net cash flows used in financing activities	(17,220)	(17,220)	(14,576)	(14,576)
Net increase /(decrease) in cash and cash equivalents during the financial period	44,548	44,548	(96,997)	(96,997)
Effect of exchange rate fluctuations on cash and cash equivalents	25,718	25,718	120,567	120,567
Cash and cash equivalents at start of the financial period	712,979	712,979	1,290,839	1,290,839
Cash and cash equivalents at end of the financial period	783,245	783,245	1,314,409	1,314,409

The accompanying notes form an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS
For the financial period from 1 April 2019 to 30 September 2019

1. GENERAL INFORMATION

ICG UCITS Funds (Ireland) plc (the “Company”) was incorporated in Ireland on 29 January 2013 as an investment company with variable capital structured as an umbrella fund with segregated liability between sub-funds and incorporated pursuant to the Companies Act 2014, with limited liability and authorised by the Central Bank as an Undertaking for Collective Investment in Transferable Securities (UCITS) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (the “UCITS Regulations”) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertaking for Collective Investment in Transferable Securities) Regulations 2019 (the “Central Bank UCITS Regulations”).

The Company is constituted as an umbrella fund insofar as the share capital of the Company is divided into different series of shares with each series of shares representing a portfolio of assets which comprises a separate fund (each a “Sub-Fund”).

The Company commenced its operations on 5 September 2013 with the launch of the ICG High Yield Fund (the “Fund”). The investment objective of the Fund is to generate a high level of return with the majority of the Fund being invested in non-government sub-investment grade fixed income and debt securities issued by issuers and listed or traded on a Recognised Market.

As at 30 September 2019, the Fund is the only Sub-Fund of the Company. These interim financial statements relate solely to the Fund.

Intermediate Capital Managers Limited (the “Investment Manager”) acts as Investment Manager of the Fund.

The Fund currently has Class A Euro Acc, Class A Euro Dist, Class A USD Acc Hedged, Class B Euro Acc and Class D Euro Acc Shares available for investment.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The interim financial statements as at and for the financial period ended 30 September 2019 have been prepared in accordance with International Accounting Standards (IAS) 34: Interim Financial Reporting, International Financial Reporting Standards (IFRS) as adopted by the European Union as issued by the International Accounting Standards Board (IASB), the UCITS Regulations and the Central Bank UCITS Regulations.

(b) Basis of measurement

The interim financial statements have been prepared on a historical cost basis except for the financial assets and financial liabilities that have been measured at fair value.

(c) Going concern

Management has made an assessment of the Company’s ability to continue as a going concern and is satisfied that it has resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the

Company’s ability to continue as a going concern, therefore, the interim financial statements continue to be prepared on a going concern basis.

The accompanying notes form an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) IFRIC 23 Uncertainty over Income Tax Treatments

IFRIC 23 was published in June 2017. It addresses whether an entity considers uncertain tax treatments separately; the assumptions an entity makes about the examination of tax treatments by taxation authorities; how an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates; and how an entity considers changes in fact and circumstances.

Guidance contained in IFRIC 23 include (i) if an entity concludes it is probable that the taxation authority will accept an uncertain tax treatment, the entity shall determine the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings; (ii) if an entity concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity shall reflect the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates. An entity shall reflect the effect of uncertainty for each uncertain tax treatment by using either of the following methods, depending on which method the entity expects to better predict the resolution of the uncertainty; (a) the most likely amount – the single most likely amount in a range of possible outcomes. The most likely amount may better predict the resolution of the uncertainty if the possible outcomes are binary or are concentrated on one value; (b) the expected value – the sum of the probability-weighted amounts in a range of possible outcomes. The expected value may better predict the resolution of the uncertainty if there is a range of possible outcomes that are neither binary nor concentrated on one value.

IFRIC 23 is effective for annual periods beginning on or after 1 January 2019. The Company adopted IFRIC 23 and it did not have a material impact on the financial statements.

(e) New accounting standards not yet adopted.

There are no standards, interpretations or amendments to existing standards that are not yet effective that is expected to have a significant impact on the Company.

(f) Foreign currency translation

Transactions in foreign currencies are translated into Euro (EUR) for the Fund at the spot exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into EUR for the Fund at the spot exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value through profit or loss are retranslated into EUR for the Fund at the spot exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation and on financial instruments at fair value through profit or loss are recognised in the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) *Functional and presentation currency*

The functional and presentation currency of the Company is EUR. The functional and presentation currency of the Fund is EUR which reflects the Fund's primary trading activity, including the subscriptions into and redemptions from the Fund

(h) *Use of estimates and judgements*

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial period in which the estimates are revised and in any future financial periods affected.

(i) *Interest income and interest expense*

Interest income and interest expense are recognised in the Statement of Comprehensive Income on an accruals basis.

(j) *Other income and other expenses*

Other income and other expenses are accounted for on an accruals basis and are recognised in the Statement of Comprehensive Income.

(k) *Financial assets and liabilities*

(i) *Classification*

In accordance with IFRS 9, the Company classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

In applying that classification, a financial asset or financial liability is considered to be held for trading if any of the following is met:

- It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term
- On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument)

Financial assets

The Company classifies its financial assets as subsequently measured at fair value through profit or loss or measured at amortised cost on the basis of both:

The entity's business model for managing the financial assets

The contractual cash flow characteristics of the financial asset

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Financial assets and liabilities (continued)

(i) Classification (continued)

Financial assets measured at amortised cost

A debt security is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company includes in this category cash and cash equivalents, amounts due from brokers, interest receivable and other short-term receivables. Their carrying value, measured at amortised cost less any expected loss, is an approximation of fair value given their short-term nature.

Financial assets measured at fair value through profit or loss ("FVPL")

A financial asset is measured at fair value through profit or loss if any of the following is met:

- Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding;
- It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell;
- At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

The Company includes in this category fixed income and other debt securities which are held under a business model to manage them on a fair value basis for investment income and fair value gains. This category also includes derivative contracts in an asset position. The fixed income securities, other debt securities and derivatives are classified as held for trading.

Financial liabilities measured at fair value through profit or loss ("FVPL")

A financial liability is measured at FVPL if it meets the definition of held for trading. The Company includes in this category derivative contracts in a liability position as they are classified as held for trading. The Company also includes its redeemable participating shares in this category. The Company's accounting policy regarding the redeemable participating shares is disclosed in Note 2(s).

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Financial assets and liabilities (continued)

(i) Classification (continued)

Financial liabilities measured at amortised cost

This category includes all financial liabilities other than those measured at fair value through profit or loss. The Company includes in this category amounts due to brokers and other short-term payables. Their carrying value, measured at amortised cost, is an approximation of fair value given their short-term nature.

(ii) Measurement

The Fund recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument.

Financial instruments are measured initially at fair value. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately in the Statement of Comprehensive Income.

Subsequent to initial recognition, all investments classified at fair value through profit or losses are measured at fair value with changes in their 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, in an orderly transaction between market participants at the measurement date.

The fair value of financial instruments is based on their quoted market prices on a recognised exchange or sourced from a reputable broker/counterparty, at the Statement of Financial Position date without any deduction for estimated future selling costs. The Fund only holds Fixed Income securities currently priced at MID. This is in line with both the pricing policy and the PPM. If a quoted market price is not available on a recognised stock exchange or from a broker/counterparty, the fair value of the financial instruments may be estimated by the Directors using valuation techniques, including use of arm's length market transactions or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Financial assets and liabilities (continued)

Recognition and De-recognition

The Fund recognises financial assets and financial liabilities, on the trade date, when all significant rights and access to the benefits from the assets and the exposure to the risks inherent in those benefits are transferred to the Company. The Company derecognises financial assets and financial liabilities when all such benefits and risks are transferred from the Fund.

Forward currency contracts

Forward currency contracts will be valued by reference to the forward price at which a new forward contract of the same size and maturity could be undertaken at the valuation date. The unrealised gain or loss on open forward currency contracts is calculated as the difference between the contract rate and this forward price and is recognised in the Statement of Comprehensive Income.

(l) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(m) Realised and unrealised gains and losses

All realised and unrealised gains and losses on securities are recognised as net gain/loss on financial assets and liabilities at fair value through profit or loss in the Statement of Comprehensive Income. Foreign currency gains/losses on cash and cash equivalents are included in net gain/loss on foreign exchange in the Statement of Comprehensive Income. Realised gains and losses on disposals of financial instruments are calculated using the first-in-first-out (FIFO) method.

The unrealised gains or losses on open forward currency contracts are calculated as the difference between the contracted rate and the rate to close out the contract. Realised gains or losses include net gains/losses on contracts, which have been settled or offset by other contracts.

(n) Taxation

Under current law and practice, the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On this basis, it is not chargeable to Irish tax on its income or gains. However, Irish tax may arise on the occurrence of a “chargeable event”. A chargeable event includes any distribution payments to shareholders or any encashment, redemption or transfer of Shares on the ending of a “relevant financial period”. A relevant financial period is an eight year period beginning with the acquisition of shares by the shareholders. Each subsequent period of eight years immediately after the preceding relevant financial period will also constitute a relevant period

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Taxation(continued)

A gain on a chargeable event does not arise in respect of:

- (i) any transactions in relation to units held in a recognised clearing system as designated by order of the Revenue Commissioners of Ireland; or
- (ii) an exchange of shares arising on a qualifying amalgamation or reconstruction of the Company with another Company; or
- (iii) certain exchanges of shares between spouses and former spouses; or
- (iv) an exchange by a shareholder, effected by way of an arm's length bargain where no payment is made to the shareholder of shares in the Company for other shares in the Company.

No Irish tax will arise on the Company in respect of chargeable events in respect of:

- (i) a shareholder who is not Irish resident and not ordinarily resident in Ireland at the time of the chargeable event, provided appropriate valid statutory declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended are held by the Company; and
- (ii) certain exempted Irish tax resident shareholders who have provided the Company with the necessary signed statutory declarations.

In the absence of an appropriate declaration, the Company will be liable to Irish tax on the occurrence of a chargeable event.

There were no chargeable events during the financial period under review.

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Distributions

For those accumulation Share Classes in issue, it is the present intention of the Directors not to declare or pay dividends, and any income or gains earned by the Fund and these Share Classes, will be reinvested and reflected in the value of the Shares.

For those income distribution Share Classes in issue, subject to net income being available for distribution, the Directors intend to declare dividends in respect of each six month financial period ending on 31 March and 30 September on the first business day after the relevant financial period end. Any such dividends will be paid within four months after declaration.

The Directors reserve the right to increase or decrease the frequency of dividend payments, if any, at their discretion for income distribution Shares. In the event of a change of policy full details will be disclosed in an updated Supplement and shareholders will be notified in advance.

Distributions declared to holders of redeemable shares are recognised in the Statement of Comprehensive Income.

(p) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant changes in value. Cash equivalents include unrestricted cash balances held at brokers. Cash and cash equivalents include cash amounts held with Citibank N.A. in the name of Citi Depositary Services Ireland Designated Activity Company (the "Depositary"). Cash accounts held with a third party banking entity for collection of subscriptions, payment of redemptions and dividends for the Company are included as part of cash and cash equivalents.

(q) Due from/ due to broker

Due from and due to broker represent amounts receivable for securities sold and payable for securities purchased that have been contracted for but not yet settled or delivered on the Statement of Financial Position date.

These amounts are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment, if any. A provision for impairment of amounts due from broker is established when there is objective evidence that the Company will not be able to collect the amounts due from the broker

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) ***Transaction costs***

Transaction costs are defined as the incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. When a financial asset or financial liability is recognised initially, an entity shall measure it at its fair value through profit or loss plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

These costs consist solely of the spread between bid and ask price on the purchase or sale of the financial asset or financial liability and are included within the net gain/(loss) on financial assets and liabilities at fair value through profit or loss on the Statement of Comprehensive Income.

(s) ***Redeemable participating shares***

Redeemable participating shares are redeemable at the shareholder's option. The redeemable participating shares can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's Net Asset Value. The liability to holders of redeemable participating shares is presented in the Statement of Financial Position as "net assets attributable to holders of redeemable participating shares" and is determined based on the residual assets of the Fund after deducting the Fund's other liabilities but before deduction of the management share capital. The Company includes its redeemable participating shares in the category financial liabilities at fair value through profit or loss as disclosed in Note 2(k).

(t) ***Impairment of financial asset***

The Fund only holds receivables at amortised cost, with no financing component and which have maturities of less than 12 months, and as such, has chosen to apply an approach similar to the simplified approach for ECL under IFRS 9 to all its receivables. Therefore, the Fund does not track changes in credit risk, but instead, recognises a loss allowance based on lifetime ECLs at each reporting date.

The Fund's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Fund assesses the ECL of groups of receivables based on days past due and similar loss patterns. Any historical observed loss rates are adjusted for forward-looking estimates and applied over the expected life of the receivables.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Impairment of financial asset(continued)

The carrying value of cash and cash equivalents and other short-term receivables, measured at amortised cost less any expected loss, is an approximation of fair value given their short-term nature and no history of default during the financial period.

The Fund did not recognise any impairment during the period ended 30 September 2019.

3. FEES AND EXPENSES

(a) Administration Fee

The Administrator is entitled to receive a fee out of the net assets of the Fund, in an amount which is subject to a minimum fee of EUR10,000 per month. This fee will be accrued and calculated on each dealing day and payable quarterly in arrears. The Administration fee is as follows:

Net Asset Value of the Fund (EUR)	% Fee
0-99 million (inclusive)	0.12%
100 million – 249 million (inclusive)	0.10%
250 million and over (inclusive)	0.07%

The Company also reimburses the Administrator out of the assets of the Fund, for its reasonable costs and out of pocket expenses.

During the financial period, administration fee of EUR59,688 (30 September 2018: EUR59,623) was charged to the Fund out of which EUR9,977 remained unpaid as at 30 September 2019 (31 March 2019: EUR14,789) included within Other payables and accrued expenses in the Statement of Financial Position.

(b) Audit Fee

Audit fee for the financial period amounted to EUR14,188 (30 September 2018: EUR14,066) and as at 30 September 2019, EUR12,805 remained outstanding which is inclusive of the outstanding balance from 31 March 2019 of EUR23,831. In accordance with SI 220 (the European Communities Statutory Audits Directive 2006/43/EC) the Fund is obliged to disclose fees paid to the Auditor. There were no other assurance, tax advisory, or other non-audit fees incurred during the financial period.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

3. FEES AND EXPENSES (continued)

(c) *Depositary Fee*

The Depositary is entitled to receive a fee in its capacity as depositary services provider out of the net assets of the Fund of a percentage of the Net Asset Value of the Fund as detailed below, subject to a minimum fee of EUR2,500 per month and a minimum relationship fee of EUR30,000 per annum. This fee will be accrued and calculated monthly and payable monthly in arrears.

Net Asset Value of the Fund (EUR)	% Fee
0-200 million (inclusive)	0.025%
200-400 million (inclusive)	0.020%
400 million and over (inclusive)	0.01%

The Depositary is also entitled to be reimbursed, out of the assets of the Fund, for its reasonable costs and out-of-pocket expenses.

During the financial period, depositary fee of EUR24,127 (30 September 2018: EUR23,741) were charged to the Fund, out of which EUR3,801 remained unpaid as at 30 September 2019 (31 March 2019: EUR3,959).

(d) *Directors' Fee and Expenses*

The Directors held office as at 30 September 2019 are listed on page 3. The Directors are entitled to a fee in remuneration for their services at a rate to be determined from time to time by the Directors, but so that the amount of Directors' remuneration in any one year shall not exceed EUR20,000 plus VAT for each Director, if any unless otherwise notified to Shareholders in advance. Jason Vickers did not receive any fees for the financial period ended 30 September 2019 (30 September 2018: EURNil) as he is an employee of the Investment Manager. Directors' fees of EUR16,003 (30 September 2018: EUR15,828) were incurred for the financial period ended 30 September 2019, of which EUR6,836.70 was prepaid at 30 September 2019 (31 March 2019: EURNil).

Directors' expenses of EUR1,504 (30 September 2018: EUR1,488) were incurred for the financial period ended 30 September 2019, of which EUR3,655 was payable at 30 September 2019 (31 March 2019: EUR2,151).

(e) *Operating Expenses*

The Fund bears its own costs and expenses including, but not limited to, taxes, organisational and offering expenses, administration expenses and other expenses associated with its activities subject to reimbursement, please see Note 3 (h).

(f) *Investment Management Fee*

The Company is subject to an investment management fee in respect of each share class of the Fund in an amount which will not exceed those detailed as follows:

- (i) 0.75% per annum of the NAV of the Fund in the case of Class A Shares;
- (ii) 1.25% per annum of the NAV of the Fund in the case of Class B Shares;
- (iii) 1.00% per annum of the NAV of the Fund in the case of Class C Shares; and
- (iv) Nil per annum of the NAV of the Fund in the case of Class D Shares.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

3. FEES AND EXPENSES (continued)

(f) *Investment Management Fee (continued)*

Class D Shares do not bear any investment management fee and are available only to certain categories of investors as determined by the Directors in their absolute discretion. The primary purpose of the Class D Shares is to facilitate investors who are investing in the Fund indirectly through vehicles managed by the Investment Manager thereby avoiding double-charging of fees or to facilitate investors who are shareholders, directors, members, officers or employees of the Investment Manager. Shares of any Class cannot be switched for Shares of Class D.

This investment management fee is paid by the Company to the Investment Manager out of the assets of the Fund. The Company also reimburses the Investment Manager out of the assets of the Fund for reasonable out-of-pocket expenses incurred by the Investment Manager.

During the financial period, an investment management fee of EUR67,109 (30 September 2018: EUR63,920) was charged to the Fund and as at 30 September 2019, EUR284,134 remained outstanding which is inclusive of the outstanding balance from 31 March 2019 of EUR217,025.

(g) *Manager Fee*

Carne Global Fund Managers (Ireland) Limited are the Manager (the "Manager") of the Company. The Manager is entitled to receive a fee, out of the assets of the Fund, which is a percentage of the Net Asset Value of the Fund as detailed below, subject to a minimum fee of EUR24,000 per annum. This fee will be accrued and calculated monthly and payable monthly in arrears.

Net Asset Value of the Fund (EUR)	% Fee
0-500 million (inclusive)	0.03%
500 million and over (inclusive)	0.025%

The Manager is also entitled to be reimbursed, out of the assets of the Fund, for its reasonable costs and out-of-pocket expenses.

During the financial period, manager fee of EUR11,996 was charged to the Fund, out of which EUR10,142 remained unpaid as at 30 September 2019.

(h) *Other Expenses*

	30-Sep-19	30-Sep-18
	EUR	EUR
Regulatory expense	3,341	3,305
Legal and foreign registration services fee	61,124	44,631
Management Company fee	11,996	16,162
Audit fee	14,188	14,066
Corporate secretarial fee	4,934	4,880
Directors' expenses	1,504	1,488
Agent company fee	2,507	2,480
VAT services fee	1,363	1,350
Miscellaneous expenses	9,272	6,635
Total	110,229	94,997

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

3. **FEES AND EXPENSES (continued)**

(i) ***Fee Reimbursement***

On 1 August 2015, the Investment Manager agreed that a Total Expense Ratio ("TER") cap of 1% per annum will be applied to each share class of the Fund. The TER cap will include all fees outlined in the fees and expenses section of the Supplement to the Prospectus (excluding the Investment Management Fees and Expenses) and any other general expenses charged to the Fund, excluding transaction costs. Any fees and expenses in excess of the TER will be reimbursed by the Investment Manager.

During the financial period, the Fund recognised fee reimbursement of EUR11,919 (30 September 2018: EUR21,857) in the Statement of Comprehensive Income. The entire amount is outstanding as at financial period-end and is presented under Other receivables in the Statement of Financial Position.

4. **FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS**

	30-Sep-19 EUR	31-Mar-19 EUR
Financial assets at fair value through profit or loss		
<i>Held for Trading</i>		
Corporate bonds	36,219,255	34,177,451
Forward currency contracts	7,894	26,750
	<u>36,227,149</u>	<u>34,204,201</u>
Financial liabilities at fair value through profit or loss		
<i>Held for Trading</i>		
Forward currency contracts	(33,284)	(10,394)
	<u>(33,284)</u>	<u>(10,394)</u>

5. **OTHER RECEIVABLES**

	30-Sep-19 EUR	31-Mar-19 EUR
Interest receivable on bonds	465,187	471,430
Fee reimbursement receivables	597,664	585,744
Other receivables	87,225	37,517
	<u>1,150,076</u>	<u>1,094,691</u>

6. **CASH AND CASH EQUIVALENTS**

	30-Sep-19 EUR	31-Mar-19 EUR
Cash and cash equivalents:		
EUR	749,862	675,184
GBP	23,913	37,417
USD	9,470	378
	<u>783,245</u>	<u>712,979</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

6. CASH AND CASH EQUIVALENTS (continued)

Cash and cash equivalents comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant changes in value. Cash equivalents include unrestricted cash balances held at brokers. Cash and cash equivalents include cash amounts held with Citibank N.A. in the name of Citi Depositary Services Ireland Designated Activity Company (the "Depositary").

In March 2015, the Central Bank introduced Investor Money Regulations ("IMR"). These regulations, which are effective since 1 July 2016, detail material changes to the current rules in relation to investor money, and are designed to increase transparency and enhance investor protection. In response to these regulations, cash accounts held with a third party banking entity for collection of subscriptions, payment of redemptions and dividends for the Company were re-designated, and are now deemed assets of the Company. The balances on the cash accounts as at 30 September 2019 were EUR1,311, GBP500 and USD 449 (31 March 2019: EUR1,318, GBP500 and USD449).

7. OTHER PAYABLES AND ACCRUED EXPENSES

	30-Sep-19 EUR	31-Mar-19 EUR
Audit fee payable	(12,805)	(23,831)
Administration fee payable	(9,977)	(14,789)
Investment management fee payable	(284,134)	(217,025)
Depositary fee payable	(3,801)	(3,959)
Directors' fees payable	-	-
Directors' expense payable	(3,655)	(2,151)
Professional fees payable	(10,142)	(23,332)
VAT services fee payable	(3,295)	(1,932)
Other payables and accrued expenses	(25,986)	(19,250)
Total	(353,795)	(306,269)

8. SHARE CAPITAL

The authorised share capital of the Company is 300,000 Redeemable Non-Participating Shares of EUR1 each and 500,000,000,000 Redeemable Participating Shares of no par value.

Subscriber Shares or Redeemable Non-Participating Shares entitle the holders to attend and vote at general meetings of the Company but do not entitle the holders to participate in the profits or assets of the Company except for a return of capital on winding-up. Of the total Redeemable Non-Participating Shares, 299,999 shares have been issued to the Investment Manager and 1 share has been issued to Intermediate Capital Investments Limited, an affiliate of the Investment Manager.

Redeemable Participating Shares entitle the holders to attend and vote at general meetings of the Company and to participate equally (subject to any differences between fees, charges and expenses applicable to different Classes of Shares) in the profits and assets of the Company on the terms and conditions set out in the Prospectus.

The Redeemable Shares are redeemable at the option of the shareholders and recognised as a liability by the Company

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

8. SHARE CAPITAL (continued)

The shareholders may redeem their Shares on a dealing day at the repurchase price which shall be the Net Asset Value per share, less repurchase charge and/or anti-dilution levy, if any, as detailed in the Prospectus.

The movement in the number of Redeemable Shares during the financial period is as follows:

	At 31 March 2019	Shares Switch In / (Out)	Shares Issued	Shares Redeemed	At 30 September 2019
Class A Euro Acc	8,544.75	-	-	-	8,544.75
Class A Euro Dist	10,000.03	-	-	-	10,000.03
Class A USD Acc hedged	2,963.16	-	-	-	2,963.16
Class B Euro Acc	85,000.00	-	-	-	85,000.00
Class D Euro Acc	127,043.03	-	-	-	127,043.03

During the financial period ended 30 September 2019, there were no switches, subscriptions and redemptions in any of the share classes of the Fund.

Share class hedging

The Company may enter into certain currency-related transactions in order to hedge the currency exposure of the assets of the Fund attributable to a particular Class into the currency of denomination of the relevant Class for the purposes of efficient portfolio management.

Any financial instruments used to implement such strategies with respect to one or more Classes shall be assets/liabilities of the Fund as a whole but will be attributable to the relevant share class(es) and the gains/losses on, and the costs of, the relevant financial instruments will accrue solely to the relevant Class.

As at 30 September 2019, the Fund held a USD share class which is hedged using a forward currency contracts (30 September 2018: the Fund held a USD share class).

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

8. SHARE CAPITAL (continued)

Capital management

As a result of the ability to issue and redeem shares, the capital of the Company can vary depending on the demand for redemptions and subscriptions to the Fund. The Company is not subject to externally imposed capital requirements and has no legal restrictions on the issue or redemption of redeemable shares beyond those included in the Company's constitution.

The Company's objectives for managing capital are:

- To invest the capital in investments meeting the description, risk exposure and expected return indicated in its Prospectus;
- To achieve consistent returns while safeguarding capital by investing in diversified portfolio, by participating in derivative and other capital markets and by using various investment strategies and hedging techniques;
- To maintain sufficient liquidity to meet the expenses of the Company and to meet redemption requests as they arise; and
- To maintain sufficient size to make the operation of the Company cost-efficient.

There has been no change in the Company's capital management policies since the prior year.

9. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

The Fund's investment objective is to generate a high level of return with the majority of the funds being invested in non-government sub-investment grade fixed income and debt securities issued by issuers and listed or traded on a Recognised Market.

The Fund's investment objective will aim to be achieved through investment in sub-investment grade fixed income and debt securities, as described below. The Fund may also use financial derivative instruments, securities with embedded derivatives (i.e. credit linked notes) and/or derivatives that provide exposure to indices which meet the Central Bank's requirements, and/or investment in other collective investment schemes.

There have been no changes in the risk exposure and the objectives, policies and processes in place for measuring and managing risks associated with financial instruments since the prior year.

Risk disclosures

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks referred to below. The investment risks described below are not purported to be exhaustive and potential investors should consult with their professional advisers before purchasing Shares. The levels and bases of, and reliefs from, taxation to which both the Company and Shareholders may be subject, may change. There can be no assurance that the Fund will achieve its investment objective. The NAV of the Fund and the income therefrom, may go down as well as up and investors may not get back the amount invested or any return on their investment.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

9. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Sensitivity analysis

The sensitivity analysis of the risk factors in the notes below represents sensitivity analysis of the effect of movements in various risk variables on the Fund's performance.

Global exposure

The Investment Manager monitors the global exposure of the Fund on a daily basis. The methodology used to calculate global exposure is the commitment approach which aggregates the underlying market or notional value of financial derivative instruments to determine the global exposure of the Fund. In accordance with the UCITS notices, global exposure for a fund utilising the commitment approach must not exceed 100% of the Fund's NAV. Actual leverage under the commitment approach is 11.9% as at 30 September 2019 (31 March 2019: 10.6%).

Market risk

The Fund is exposed to market risk (which includes interest rate risk, currency risk, price risk) arising from the financial instruments it holds. The Fund uses these financial instruments for trading purposes and in connection with its risk management activities. The Fund has investment guidelines that set out its overall business strategies, its tolerance for risk and its general risk management philosophy and has established processes to monitor and control economic hedging transactions in a timely and accurate manner.

The Fund's assets and liabilities comprise financial instruments which include:

- Corporate bonds, asset backed securities and forward currency contracts. These are held in accordance with the Fund's investment objectives and policies; and
- Cash and cash equivalents and short-term debtors and creditors that arise directly from its investment activities.

As an investment company, the Fund buys, sells or holds financial assets and liabilities in order to take advantage of changes in market prices.

The Fund trades in financial instruments and may take positions in over the counter instruments including derivatives, to take advantage of the market movements in the global capital markets.

The Investment Manager actively monitors market prices throughout the financial period and reports to the Board of Directors in order to consider investment performance. The risk management function of the Investment Manager monitors the market, credit and liquidity risk of the portfolio on a daily basis and reports periodically to the Board of Directors. Stress-testing is performed on a daily basis and is part of the daily risk management reports available to the Investment Manager and the risk management team.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

9. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Market risk (continued)

The Investment Manager operates a risk management process on behalf of the Fund in relation to its use of derivatives which allows it to accurately measure, monitor and manage the various risks associated with derivatives and which is intended to ensure that the Fund's derivatives exposure remains within the limits described below. This risk management process will also take into account any exposure created through derivatives embedded in transferable securities which the Investment Manager may acquire for the Fund in accordance with its investment objective and policies. Global exposure is measured using the commitment approach.

The Investment Manager may also use forward currency contracts, options and swaps (including credit default swaps) for the purpose of seeking to hedge the exchange rate risk between the base currency and such underlying currencies.

The table below analyses the Fund's concentration of mark-to-market risk by geographical distribution for 30 September 2019 (excluding cash).

Financial Assets	Fair Value	% of Net
Corporate bonds:	EUR	Assets
Country		
European Union (excluding United Kingdom and Sweden)	31,305,998	85.01%
United Kingdom	3,378,307	9.17%
United States	1,534,950	4.17%
Total corporate bonds	36,219,255	98.35%
Forward currency contracts:	Fair Value	% of Net
Country	EUR	Assets
United States	7,894	0.02%
Total forward currency contracts	7,894	0.02%
Financial Liabilities	Fair Value	% of Net
Forward currency contracts:	EUR	Assets
Country		
European Union (excluding United Kingdom)	(10,228)	-0.03%
United States	(23,056)	-0.06%
Total forward currency contracts	(33,284)	-0.09%

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

9. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Market risk (continued)

The table below analyses the Fund's concentration of mark-to-market risk by geographical distribution for 31 March 2019 (excluding cash).

Financial Assets	Fair Value	% of Net
Corporate bonds:	EUR	Assets
Country		
European Union (excluding United Kingdom and Sweden)	22,769,594	64.26%
Canada	481,929	1.36%
Sweden	1,879,375	5.30%
United Kingdom	3,594,570	10.14%
United States	5,451,983	15.39%
Total corporate bonds	34,177,451	96.45%
Forward currency contracts:	Fair Value	% of Net
Country	EUR	Assets
United Kingdom	20,830	0.08%
United States	5,920	0.04%
Total forward currency contracts	26,750	0.12%
Financial Liabilities	Fair Value	% of Net
Forward currency contracts:	EUR	Assets
Country		
United States	(10,394)	(0.01%)
Total forward currency contracts	(10,394)	(0.01%)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

9. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Market risk (continued)

The Fund's derivative activities based on market values and notional amounts are as follows:

As at 30 September 2019

Derivatives	Market value in EUR	Notional exposure in EUR	Notional exposure in local currency
Financial assets at fair value through profit or loss			
Forward currency contracts:			
EUR/USD	7,894	1,525,260	USD1,690,473
Total	7,894	1,525,260	

Derivatives	Market value in EUR	Notional exposure in EUR	Notional exposure in local currency
Financial liabilities at fair value through profit or loss			
Forward currency contracts:			
EUR/GBP	(10,228)	3,388,191	GBP3,008,586
USD/EUR	(23,056)	526,353	USD583,299
Total	(33,284)	3,914,544	

As at 31 March 2019

Derivatives	Market value in EUR	Notional exposure in EUR	Notional exposure in local currency
Financial assets at fair value through profit or loss			
Forward currency contracts:			
USD/EUR	5,920	486,757	USD 553,762
EUR/GBP	20,830	(3,334,061)	(GBP 2,857,290)
Total	26,750	(2,847,304)	

Derivatives	Market value in EUR	Notional exposure in EUR	Notional exposure in local currency
Financial liabilities at fair value through profit or loss			
Forward currency contracts:			
EUR/USD	(10,394)	(846,734)	(USD 963,583)
Total	(10,394)	(846,734)	

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

9. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates.

To help mitigate this risk/exposure the Fund engages in currency economic hedging activities to protect against the volatility associated with investments denominated in foreign currencies and other assets and liabilities created in the normal course of business. The Fund primarily utilises forward exchange contracts with maturities of less than twelve months to hedge foreign-currency-denominated financial assets and financial liabilities.

Increases or decreases in the Fund's foreign-currency-denominated financial assets and financial liabilities are partially offset by gains and losses on the economic hedging instruments.

The Fund's total net exposure to foreign currencies is monitored and the risk is managed in accordance with predefined risk limits, which are based on historical performance of exchange rates and their impact on the NAV.

Currency exchange rates may fluctuate significantly over short periods of time causing, along with other factors, the Fund's NAV to fluctuate as well. Currency exchange rates generally are determined by the forces of supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or anticipated changes in interest rates and other complex factors, as seen from an international perspective. Currency exchange rates also can be affected unpredictably by intervention or failure to intervene by governments or central banks or by currency controls or political developments throughout the world. To the extent that a substantial portion of the Fund's total assets, adjusted to reflect the Fund's net position after giving effect to currency transactions, is denominated in the currencies of particular countries, the Fund will be more susceptible to the risk of adverse economic and political developments within those countries.

The following table details the foreign currency exposure of the Fund as at 30 September 2019:

	Cash and cash equivalents	Due from/to brokers	Corporate Bonds	Forward currency contracts	Net exposure
Currency	EUR	EUR	EUR	EUR	EUR
GBP	23,913	-	3,378,307	(3,398,420)	3,800
USD	9,470	-	1,534,950	(1,014,068)	530,352

The following table details the foreign currency exposure of the Fund as at 31 March 2019:

	Cash and cash equivalents	Due from/to brokers	Corporate Bonds	Forward currency contracts	Net exposure
Currency	EUR	EUR	EUR	EUR	EUR
GBP	37,417	-	3,333,851	(3,334,061)	37,207
USD	378	-	854,446	(359,977)	494,847

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

9. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Currency risk (continued)

Assets of the Fund may be denominated in a currency other than the base currency of the Fund and changes in the exchange rate between the base currency and the currency of the asset may lead to a depreciation of the value of the Fund's assets as expressed in the base currency. The Investment Manager may seek to mitigate this exchange rate risk by using Financial Derivative Instruments (FDI). No assurance, however, can be given that such mitigation will be successful.

Classes of Shares in the Fund may be denominated in currencies other than the base currency of the Fund and changes in the exchange rate between the base currency and the denominated currency of the Class may lead to a depreciation of the value of the investor's holding as expressed in the base currency even in cases where the Class is hedged. No assurance, however, can be given that such mitigation will be successful.

The Fund may enter into currency or interest rate exchange transactions and/or use derivatives to seek to protect against fluctuation in the relative value of its portfolio positions as a result of changes in currency exchange rates or interest rates of specific securities transactions or anticipated securities transactions.

An increase in 50 basis points in foreign currency rates as at the reporting date would have increased the net assets attributable to the holders of redeemable shares and changes in net assets attributable to the holders of redeemable shares by EUR2,671 (31 March 2019: EUR2,660).

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities.

The Fund's Supplement provides for the regular creation and cancellation of interests and is therefore exposed to the liquidity risk of meeting Fund's redemptions at any time. The Fund seeks to invest in liquid securities that can be liquidated with little notice and maintains an adequate level of cash in order to meet particular redemptions at any time.

Not all securities or instruments invested in by the Fund will be listed or rated and consequently liquidity may be low. Moreover, the accumulation and disposal of holdings in some investments may be time consuming and may need to be conducted at unfavourable prices. The Fund may also encounter difficulties in disposing of assets at their fair price due to adverse market conditions leading to limited liquidity.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

9. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Liquidity risk (continued)

The tables below show the Fund's financial liabilities by maturity.

30 September 2019	<1 month	1-3 months	> 3 months	On demand	Total
	EUR	EUR	EUR	EUR	EUR
Forward currency contracts	(33,284)	-	-	-	(33,284)
Due to brokers	(1,093,667)	-	-	-	(1,093,667)
Other payables and accrued expenses	(394,842)	-	-	-	(394,842)
Net assets attributable to holders of redeemable shares	-	-	-	(36,827,229)	(36,827,229)
Total liabilities (including net assets attributable to redeemable shares)	(1,521,793)	-	-	(36,827,229)	(38,349,022)
31 March 2019	<1 month	1-3 months	> 3 months	On demand	Total
	EUR	EUR	EUR	EUR	EUR
Forward currency contracts	(10,394)	-	-	-	(10,394)
Due to brokers	(505,313)	-	-	-	(505,313)
Other payables and accrued expenses	(306,269)	-	-	-	(306,269)
Net assets attributable to holders of redeemable shares	-	-	-	(35,434,768)	(35,434,768)
Total liabilities (including net assets attributable to redeemable shares)	(821,976)	-	-	(35,434,768)	(36,256,744)

Credit risk

Credit risk is the risk that counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company, resulting in a financial loss to the Company. It arises principally from debt securities held, and also from derivative financial assets, cash and cash equivalents and balances due from brokers.

The Company has appointed Citibank International Ltd, Ireland Branch as Custodian of all assets pursuant to the Custodian Agreement. In accordance with and subject to the Custodian Agreement, the Custodian provides safe custody for all assets of the Company which will be under the control of its custodial network.

There can be no assurance that issuers of the securities or other instruments in which the Fund invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities or instruments or payments due on such securities or instruments (as well as any appreciation of sums invested in such securities).

The credit rating of the Depositary, Citi Depositary Services Ireland Designated Activity Company was A+ with S&P as at 30 September 2019 (31 March 2019: A+).

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

9. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Credit risk (continued)

During the financial period, cash and cash equivalents were held with Citibank N.A. in the name the Depositary.

Bankruptcy or insolvency of any counterparty used by the Fund may cause their rights with respect to cash and cash equivalents not to be enforceable.

It is the Investment Manager's policy that any trading is permitted only with brokers that meet regulatory requirements. The requirements and the counterparties themselves are approved by the Investment Manager, as a Financial Conduct Authority regulated entity, according to its compliance and risk policies. The Investment Manager will receive the recommendation for appointing each broker and review the selection on the basis of the findings of the due diligence conducted on that broker. On a semi-annual basis, the Investment Manager will review the broker selection procedures as part of the due diligence review process.

As at 30 September 2019 and 31 March 2019, the Fund invested in corporate bonds with the following credit quality:

Rating	30-Sep-19 Amount	30-Sep-19 %	31-Mar-19 Amount	31-Mar-19 %
B1	5,751,989	15.88%	6,058,931	17.74%
B2	7,273,356	20.08%	9,837,548	28.78%
B3	6,891,047	19.03%	8,022,544	23.47%
Ba1	1,940,479	5.36%	1,315,468	3.85%
Ba2	1,280,893	3.54%	410,272	1.20%
Ba3	7,794,821	21.52%	4,994,481	14.61%
Caa1	3,973,190	10.96%	2,283,269	6.68%
Caa2	1,313,480	3.63%	1,254,938	3.67%
Total	36,219,255	100.00%	34,177,451	100.00%

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

9. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Credit risk (continued)

As at 30 September 2019 and 31 March 2019, the Fund's corporate bond exposures were concentrated in the following industries:

Industry	30-Sep-19 %	31-Mar-19 %
Basic Materials	6.12%	5.60%
Communications	21.41%	25.19%
Consumer, cyclical	13.56%	17.38%
Consumer, non-cyclical	23.97%	20.48%
Diversified	0.56%	0.62%
Financial	11.71%	9.49%
Industrial	17.16%	21.24%
Technology	4.05%	-
Energy	1.46%	-
Total	100.00%	100.00%

There were no significant concentrations of credit risk to any individual issuer or group of issuers in the corporate bonds portfolio as at 30 September 2019 and 31 March 2019.

No individual investment exceeded 5% of the net assets attributable to the holders of the redeemable shares as shown in the Schedule of Investments. The Fund's maximum credit risk exposure at the reporting date is represented by the respective carrying amounts of the relevant financial assets in the Statement of Financial Position. The notional amounts of derivative assets and liabilities are included in the Schedule of Investments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Fund can be exposed to both fair value and cash flow interest rate risks through its investments. Cash flow interest rate risk also arises on the balances held with the Depositary.

An increase in 50 basis points in interest rates as at the reporting date would have increased the net assets attributable to the holders of redeemable shares and changes in net assets attributable to holders of redeemable shares by EUR18,049 (31 March 2019: EUR173,150). This is because of an increase in interest income and a reduction in the value of the portfolio. A decrease of 50 basis points would have had an equal but opposite effect.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

9. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)

Interest rate risk (continued)

The following table details the Fund's exposure to interest rate risks. It includes the Fund's assets and trading liabilities at fair values, categorised by maturity date measured by the carrying value of the assets and liabilities.

30 September 2019

	< 1 year EUR	1 to 2 years EUR	2 to 5 years EUR	> 5 years EUR	Non- interest bearing EUR	Total EUR
Assets						
<i>Held for Trading:</i>						
Corporate bonds	-	691,397	10,879,790	24,648,068		36,219,255
Forward currency contracts	-	-	-	-	7,894	7,894
<i>Other assets:</i>						
Cash and cash equivalents	783,245	-	-	-	-	783,245
Due from brokers	188,552	-	-	-	-	188,552
Other receivables	-	-	-	-	1,150,076	1,150,076
Total assets	971,797	691,397	10,879,790	24,648,068	1,157,970	38,349,022
Liabilities						
<i>Held for trading:</i>						
Forward currency contracts	-	-	-	-	(33,284)	(33,284)
<i>Other Liabilities:</i>						
Due to brokers	(1,093,667)	-	-	-	-	(1,093,667)
Other payables and accrued expenses	-	-	-	-	(394,842)	(394,842)
Total liabilities	(1,093,667)	-	-	-	(428,126)	(1,521,793)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

9. **RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (continued)**

Interest rate risk (continued)

31 March 2019

	< 1 year EUR	1 to 2 years EUR	2 to 5 years EUR	> 5 years EUR	Non- interest bearing EUR	Total EUR
Assets						
<i>Held for Trading:</i>						
Corporate bonds	-	174,269	18,370,994	15,632,188	-	34,177,451
Forward currency contracts	-	-	-	-	26,750	26,750
<i>Other assets:</i>						
Cash and cash equivalents	712,979	-	-	-	-	712,979
Due from broker	244,873	-	-	-	-	244,873
Other receivables	-	-	-	-	1,094,691	1,094,691
Total assets	957,852	174,269	18,370,994	15,632,188	1,121,441	36,256,744
Liabilities						
Forward currency contracts	-	-	-	-	(10,394)	(10,394)
Financial liabilities:						
Due to brokers	(505,313)	-	-	-	-	(505,313)
Other payables and accrued expenses	-	-	-	-	(306,269)	(306,269)
Total liabilities	(505,313)	-	-	-	(316,663)	(821,976)

10. **FAIR VALUE ESTIMATION**

The Company has adopted IFRS 13 Fair Value Measurement. This requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy of inputs is summarised in the three broad levels listed below.

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: 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 3: Inputs for the asset or liability, which are not based on observable market data (that is, unobservable inputs)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

10. FAIR VALUE ESTIMATION (continued)

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 measurement. For example, if a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is Level 3. 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 Company. The Company 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.

Investments measured and reported at fair value are classified and disclosed in one of the following fair value hierarchy levels based on the significance of the inputs used in measuring their fair value:

Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the valuation date. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 inputs are inputs other than quoted prices in active markets included within Level 1 that are observable for the asset or liability, either directly or indirectly. Fair value is determined through the use of models or other valuation methodologies utilising such inputs. Level 2 inputs include the following:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in markets that are not active, that is, markets in which there are few transactions for the asset or liability, the prices are not current, or price quotations vary substantially either over time or among market makers, or in which little information is released publicly.
- Inputs other than quoted prices that are observable for the asset or liability (e.g. interest rate and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks and default rates).
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs reflect the Company’s own assumptions about how market participants would be expected to value the asset or liability. Unobservable inputs are developed based on the best information available in the circumstances, other than market data obtained from sources independent of the Company and might include the Company’s own data.

An investment is always categorised as Level 1, 2 or 3 in its entirety. In certain cases, the fair value measurement for an investment may use a number of different inputs that fall into different levels of the fair value hierarchy. In such cases, an investment’s level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgement and is specific to the investment.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

10. FAIR VALUE ESTIMATION (continued)

At 30 September 2019, all investments in debt securities, ABS and forward currency contracts were classified as Level 2 securities.

There were no investments categorised as Level 3 as at 30 September 2019 and 31 March 2019.

The following table analyses within the fair value hierarchy the Fund's financial assets and liabilities measured at fair value at 30 September 2019:

Assets	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
Financial assets held for trading:	-	-	-	
Corporate bonds	-	36,219,255	-	36,219,255
Forward currency contracts	-	7,894	-	7,894
Total assets	-	36,227,149	-	36,227,149

Liabilities

Financial liabilities held for trading:

Forward currency contracts	-	(33,284)	-	(33,284)
Total liabilities	-	(33,284)	-	(33,284)

The following table analyses within the fair value hierarchy the Fund's financial assets and liabilities measured at fair value at 31 March 2019:

Assets	Level 1 EUR	Level 2 EUR	Level 3 EUR	Total EUR
Financial assets held for trading:				
Corporate bonds	-	34,177,451	-	34,177,451
Forward currency contracts	-	26,750	-	26,750
Total assets	-	34,204,201	-	34,204,201

Liabilities

Financial liabilities held for trading:

Forward currency contracts	-	(10,394)	-	(10,394)
Total liabilities	-	(10,394)	-	(10,394)

Derivatives have been valued using market observable inputs which may include foreign exchange rates.

There were no transfers between Level 1 and Level 2 during the financial period ended 30 September 2019.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

11. NET GAINS/LOSSES ON FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

The following table details the gains and losses from financial assets and liabilities at fair value through profit or loss for the financial period ended 30 September 2019:

	EUR
Held for trading:	
Net realised gain on financial assets and liabilities at fair value through profit or loss	326,125
Net unrealised gain on financial assets and liabilities at fair value through profit or loss	472,622
Net gain on financial assets and liabilities at fair value through profit or loss	798,747

The following table details the gains and losses from financial assets and liabilities at fair value through profit or loss for the financial period ended 30 September 2018:

	EUR
Held for trading:	
Net realised loss on financial assets and liabilities at fair value through profit or loss	(675,698)
Net unrealised gain on financial assets and liabilities at fair value through profit or loss	495,100
Net loss on financial assets and liabilities at fair value through profit or loss	(180,598)

12. EXCHANGE RATES

The foreign exchange rates used at financial period end are:

Currency	30-Sep-2019	31-Mar-2019
GBP	1.1303	1.1605
CHF	0.9199	0.8943
EUR	1.0000	1.0000
SEK	0.0933	0.0960
USD	0.9173	0.8906

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

13. DERIVATIVE CONTRACTS

Typically, derivative contracts serve as components of the Fund's investment strategy and are utilised primarily to structure and hedge investments, to enhance performance and reduce risk to the Fund (the Fund does not designate any derivative as a hedging instrument for hedge accounting purposes). The derivative contracts that the Fund may hold or issue include forward currency contracts.

The Fund uses derivative financial instruments to economically hedge its risks associated primarily with interest rate and foreign currency fluctuations. Derivative financial instruments may also be used for trading purposes where the Investment Manager believes this would be more effective than investing directly in the underlying financial instruments.

Derivatives often reflect, at their inception only a mutual exchange of promises with little or no transfer of tangible consideration. However, these instruments frequently involve a high degree of leverage and are very volatile. A relatively small movement in the underlying of a derivative contract may have a significant impact on the profit or loss of the Fund.

OTC derivatives may expose the Fund to the risks associated with the absence of an exchange market on which to close out an open position.

The Fund's constitution sets limits on investments in derivatives with high risk profile. The Investment Manager is instructed to closely monitor the Fund's exposure under derivative contracts as part of the overall management of the Fund's market risk.

At the reporting dates, the Fund only had forward currency contracts.

14. RELATED PARTY TRANSACTIONS

Parties are considered 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.

Intermediate Capital Managers Limited acts as the Investment Manager of the Fund and provided day-to-day management of the investment program. For details of fees paid/payable and fee reimbursement to/from the Investment Manager please see Note 3.

There are 300,000 non-participating Shares currently in issue. 299,999 redeemable non-participating Shares have been issued to the Investment Manager and 1 redeemable non-participating Share has been issued to Intermediate Capital Investments Limited, an affiliate of the Investment Manager.

The Investment Manager is a wholly owned subsidiary of Intermediate Capital Group plc, organized under the laws of England and Wales and is regulated by the UK Financial Conduct Authority in the conduct of financial services and investment management activities. As at 31 September 2019 Intermediate Capital Group Plc which is a related party to the Company holds 100% (31 March 2019: 100%) of the redeemable participating shares of the Company.

Carne Global Fund Managers (Ireland) Limited, as Manager to the Company, earned a fee of EUR 11,996 during the financial period, of which EUR 10,142 was payable at financial period end.

John Skelly, a Director of the Company, is an employee of Carne Global Financial Services Limited, the Company Secretary of the Company and the parent company of the Manager. Carne Global Financial Services Limited earned fees during the financial period in respect of Director support services and other fund governance services provided to the Company.,

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

14. RELATED PARTY TRANSACTIONS(Continued)

During the financial period the fees amounted to EUR6,250 and EUR17,291, respectively (30 September 2018: EUR9,533 and EUR7,319), of which EUR2,00 was payable at financial period end (31 March 2019: EURNil).

Jason Vickers, a Director, is an employee of the Investment Manager. For details of fees and expenses paid and payable to the Directors please see Note 3.

The Company has not provided or benefited from any guarantees for any related party.

15. CONTINGENT LIABILITIES

As at 30 September 2019, the Company did not have any significant commitments or contingent liabilities, other than those which are disclosed in the financial statements.

16. SOFT COMMISSIONS

During the financial period, the Investment Manager has not entered into any soft commission arrangements with brokers.

17. SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

On 1 April 2019, the Directors approved the declaration of EUR17,220 distribution to the shareholders of Class A Euro Dist Class shares at EUR1.72 per share.

There were no other significant events that happened during the financial period ended 30 September 2019.

18. SUBSEQUENT EVENTS

The Prospectus of the Company was updated on 21 October 2019 by way of First Addendum to the Prospectus. The Addendum was updated to reflect the United Kingdom as a non-EU market and also to amend the 'Permitted Markets' section to include the United Kingdom as an ex-EU country.

There were no significant subsequent events that happened after the financial period end.

19. CONNECTED PERSONS

In accordance with Regulations 41(1) of the Central Bank UCITS Regulations, the Directors are satisfied that there are in place arrangements, evidenced by written procedures, to ensure that all transactions with its Investment Manager, Depositary, and the delegates or sub-delegates of the Investment Manager or Depositary; and any associated or group companies of these ("Connected Persons") are conducted at arm's length and are in the best interests of the shareholders of the Company. The Directors are satisfied that all transactions with the Connected Persons that were entered into during the financial period complied with the obligations set out in this paragraph.

20. COMPARATIVE INFORMATION

Comparative figures are reclassified where necessary to be consistent with the current financial year's presentation.

21. APPROVAL OF INTERIM FINANCIAL STATEMENT

The interim financial statements were approved by the Board on 25 November 2019.

ICG UCITS FUNDS (IRELAND) PLC

SCHEDULE OF INVESTMENTS AS AT 30 SEPTEMBER 2019

Nominal	Description	Fair Value EUR	% of Net Assets
Financial assets at fair value through profit or loss			
Corporate Bonds			
	EUR		
500,000	Altice Financing Sa 5.250% 15/02/2023	515,742	1.40%
500,000	Ardagh Pkg Fin/Hldgs Usa 2.125% 15/08/202	514,220	1.40%
750,000	Ardagh Pkg Fin/Hldgs Usa 6.750%15/05/2024	790,759	2.15%
600,000	La Finac Atalian Sa 5.125% 15/05/2025	439,905	1.19%
651,068	Parts Europe Sa .000% 01/05/2022	653,952	1.78%
100,000	Parts Europe Sa 4.375% 01/05/2022	100,614	0.27%
500,000	Avantor Inc 4.750% 01/10/2024	535,340	1.45%
300,000	Belden Inc 3.875% 15/03/2028	317,559	0.86%
1,000,000	Corestate Capital Hold 3.500% 15/04/2023	1,010,268	2.77%
200,000	Cogent CommunicationsGr4.375%30/06/2024	205,000	0.56%
200,000	Constantin Investisseme 5.375% 15/04/2025	206,884	0.56%
400,000	Ceramtec Bondco Gmbh 5.250% 15/12/2025	417,472	1.13%
400,000	Dkt Finance Aps 7.000% 17/06/2023	429,028	1.16%
750,000	Demire Real Estate Ag 1.875% 15/10/2024	745,553	2.02%
220,000	Diocle Spa .000% 30/06/2026	224,620	0.61%
700,000	Eagle Int Glo/Ruyi Us Fi 5.375% 01/05/2023	625,450	1.70%
300,000	Eircom Finance Dac 3.500% 15/05/2026	320,762	0.87%
100,000	Elis Sa 1.000% 03/04/2025	100,052	0.27%
100,000	Elis Sa 1.625% 03/04/2028	100,129	0.27%
300,000	Energizer Gamma Acq Bv 4.625%15/07/2026	318,075	0.86%
140,000	Ec Finance Plc 2.375% 15/11/2022	141,691	0.38%
350,000	Fabric Bc Spa .000% 30/11/2024	353,619	0.96%
800,000	Refinitiv Us Holdings Inc 4.500% 15/05/2026	863,720	2.35%
490,000	Fire Bc Spa .000% 30/09/2024	497,595	1.35%
770,000	Garret Lx I / Borrowing 5.125% 15/10/2026	743,973	2.02%
550,000	House Of Finance Nv/The 4.375%15/07/2026	564,010	1.53%
200,000	Ineos Finance Plc 2.875% 01/05/2026	198,122	0.54%
600,000	Interxion Holding Nv 4.750% 15/06/2025	651,750	1.77%
800,000	Iqvia Inc 2.250% 15/01/2028	816,939	2.22%
600,000	Iron Mountain Inc 3.000% 15/01/2025	615,905	1.67%
500,000	Kraton Polymers Llc/Cap 5.250% 15/05/2026	529,375	1.44%
1,050,000	Synlab Unsec Bon 8.250% 01/07/2023	1,099,554	2.99%
350,000	Louvre Bidco Sas 4.250% 30/09/2024	357,007	0.97%
300,000	Louvre Bidco Sas .000% 30/09/2024	306,387	0.83%
450,000	Matterhorn Telecom Sa 3.125% 15/09/2026	460,125	1.25%
700,000	Netflix Inc 3.875% 15/11/2029	744,267	2.02%
1,040,000	Novafives Sas 5.000% 15/06/2025	886,081	2.41%
850,000	N&W Global Vending Spa 7.000% 15/10/2023	883,910	2.40%
450,000	Platin 1426 Gmbh 5.375% 15/06/2023	425,616	1.16%

ICG UCITS FUNDS (IRELAND) PLC

SCHEDULE OF INVESTMENTS AS AT 30 SEPTEMBER 2019 (continued)

Nominal	Description	Fair Value EUR	% of Net Assets
Financial assets at fair value through profit or loss (continued)			
Corporate Bonds (continued)			
	EUR (continued)		
700,000	Polygon Ab 4.000% 23/02/2023	719,250	1.95%
750,000	Panther Bf Aggregator 2 4.375% 15/05/2026	767,048	2.08%
200,000	Progroup Ag 3.000% 31/03/2026	201,621	0.55%
350,000	Rossini Sarl 6.750% 30/10/2025	387,127	1.05%
250,000	Rossini Sarl .000% 30/10/2025	255,795	0.69%
250,000	Nidda Bondco Gmbh 5.000% 30/09/2025	257,128	0.70%
600,000	Nidda Bondco Gmbh 7.250% 30/09/2025	638,880	1.73%
400,000	Platin 1426 Gmbh 6.875% 15/06/2023	392,000	1.06%
500,000	Altice France Sa 3.375% 15/01/2028	508,963	1.38%
300,000	Altice France Sa 5.875% 01/02/2027	332,691	0.90%
300,000	Iho Verwaltungs Gmbh 3.625% 15/05/2025	311,410	0.85%
850,000	Sigma Holdco Bv 5.750% 15/05/2026	844,003	2.29%
200,000	Smurfit Kappa Acquisitio 2.875% 15/01/2026	220,500	0.60%
300,000	Silgan Holdings Inc 3.250% 15/03/2025	308,237	0.84%
300,000	Lsf10 Wolverine Invest 5.000% 15/03/2024	308,631	0.84%
150,000	Swissport Financing Sarl 5.250% 15/08/2024	155,879	0.42%
600,000	Techem Verwaltungsges 6.000% 30/07/2026	650,961	1.77%
400,000	Telenet Finance Lux Note 3.500% 01/03/2028	432,340	1.17%
250,000	Trivium Packaging Fin 3.750% 15/08/2026	265,156	0.72%
250,000	Unilabs Subholding Ab 5.750% 15/05/2025	260,778	0.71%
400,000	Upcb Finance Vii Ltd 3.625% 15/06/2029	426,180	1.16%
400,000	Walnut Bidco Plc 6.750% 01/08/2024	419,779	1.14%
350,000	Wmg Acquisition Corp 3.625% 15/10/2026	372,750	1.01%
549,000	Wmg Acquisition Corp 4.125% 01/11/2024	568,764	1.54%
500,000	Ziggo Bv 4.250% 15/01/2027	540,737	1.47%
550,000	Ziggo Bond Co Bv 4.625% 15/01/2025	567,324	1.54%
240,000	Altice France Sa 5.625% 15/05/2024	247,425	0.67%
220,500	Upcb Finance Iv 4.000% 15/01/2027	233,612	0.63%
		31,305,998	85.01%
GBP			
400,000	Cpuk Finance Ltd 4.875% 28/08/2025	467,061	1.27%
450,000	Entertainment One Ltd 4.625% 15/07/2026	554,688	1.51%
120,000	Heathrow Finance Plc 3.875% 01/03/2027	135,884	0.37%
600,000	Jerrold Finco Plc 6.250% 15/09/2021	691,397	1.88%
350,000	Mlnhms5.5%15Oct2024Regs5.500%15/10/2024	405,016	1.10%
760,000	Virgin Media Receivable 5.500% 15/09/2024	881,181	2.38%
200,000	Virgin Media Secured Fin 5.250% 15/05/2029	243,080	0.66%
		3,378,307	9.17%

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the financial period from 1 April 2019 to 30 September 2019

Nominal	Description	Fair Value EUR	% of Net Assets
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Financial assets at fair value through profit or loss (continued)

Corporate Bonds (continued)

USD (continued)

300,000	Altice Financing Sa 7.500% 15/05/2026	293,063	0.80%
387,000	Concordia International 8.000% 06/09/2024	346,994	0.94%
550,000	Ithaca Energy North 9.375% 15/07/2024	527,071	1.43%
400,000	Sigma Holdco Bv 7.875% 15/05/2026	367,822	1.00%
		1,534,950	4.17%

Total Corporate Bonds (31 March 2019: 96.45%)

36,219,255 98.35%

Forward currency contracts

Maturity	Counterparty	Amount Bought	Amount Sold	Unrealised Gain EUR	% of Net Assets
Date					
18-Oct-19	Citibank N.A.	USD 583,299	((EUR 526,353))	7,894	0.02%
Total Forward Currency Contracts (31 March 2019:0.08%)				7,894	0.02%

Financial liabilities at fair value through profit and loss

Forward currency contracts

Maturity	Counterparty	Amount Bought	Amount Sold	Unrealised Loss EUR	% of Net Assets
Date					
18-Oct-19	Citibank N.A.	EUR 3,388,191	(GBP 3,008,586)	(10,228)	(0.03%)
18-Oct-19	Citibank N.A.	EUR 1,525,260	(USD 1,690,473)	(23,056)	(0.06%)
Total Forward Currency Contracts (31 March 2019: (0.03%))				(33,284)	(0.09%)

SCHEDULE OF INVESTMENTS AS AT 30 SEPTEMBER 2019 (continued)

	Fair Value EUR	% of Net Assets
Total financial assets at fair value through profit or loss	36,227,149	98.37%
Total financial liabilities at fair value through profit or loss	(33,284)	(0.09%)
Other net assets	633,364	1.72%
Net assets attributable to holders of redeemable shares	36,827,229	100.00%

ICG UCITS FUNDS (IRELAND) PLC

SCHEDULE OF INVESTMENTS AS AT 30 SEPTEMBER 2019 (continued)

Purchases

Nominal	Investments	EUR
1,050,000	Synlab Unsec Bon 8.250% 01/07/2023	1,100,250
1,000,000	Netflix Inc 3.875% 15/11/2029	1,029,800
1,000,000	Ardagh Pkg Fin/Hldgs Usa 2.125% 15/08/2026	1,000,000
1,000,000	Smurfit Kappa Treasury 2.875% 09/15/2026	1,000,000
800,000	Iqvia Inc 2.250% 15/01/2028	800,000
750,000	Demire Real Estate Ag 1.875% 15/10/2024	745,553
650,000	Eircom Finance Dac 3.500% 15/05/2026	650,000
650,000	Cogent Communications Gr 4.375% 30/06/2024	650,000
600,000	Interxion Holding Nv 4.750% 15/06/2025	649,200
550,000	Ziggo Bond Co Bv 4.625% 15/01/2025	558,250
550,000	House Of Finance Nv/The 4.375% 15/07/2026	553,375
550,000	Iho Verwaltungs Gmbh 3.625% 15/05/2025	550,000
500,000	Kraton Polymers Llc/Cap 5.250% 15/05/2026	516,563
450,000	Entertainment One Ltd 4.625% 15/07/2026	505,443
500,000	Loxam Sas 3.25% 01/14/25	500,000
500,000	Altice France Sa 3.375% 15/01/2028	500,000
550,000	Ithaca Energy North 9.375% 15/07/2024	490,262
490,000	Fire Bc Spa .000% 30/09/2024	489,775
400,000	Co-Operative Group Ltd 5.125% 05/17/24	464,131
450,000	Iron Mountain Inc 3.000% 15/01/2025	462,150

Sales

Nominal	Investments	EUR
1,000,000	Smurfit Kappa Treasury 2.875% 09/15/2026	1,000,000
500,000	Wind Tre Spa 3.125% 01/20/25	469,000
900,000	Verisure Midholding Ab 5.75% 12/01/23	899,750
300,000	Smurfit Kappa Acquisitio 2.875% 15/01/2026	302,250
576,000	Tvl Finance 8.5% 05/15/23	722,111
650,000	Tenneco Inc 5.00% 07/15/24	667,067
500,000	Arqiva Broadc Finance PI 6.75% 09/30/23	567,118
160,000	Altice France Sa 5.625% 05/15/24	161,850
500,000	SYNLAB BONDCO PLC 6.25% 07/01/22	517,500
500,000	Unitymedia Hessen / Nr 3.50% 01/15/27	511,500
500,000	Avantor Inc 4.750% 01/10/2024	506,345
500,000	Nexi Capital Spa 0% 05/01/23	506,000
500,000	Lsf10 Wolverine Invest 5.000% 15/03/2024	503,000
500,000	Ardagh Pkg Fin/Hldgs Usa 2.125% 15/08/2026	500,000
500,000	Loxam Sas 3.25% 01/14/25	500,000
400,000	Co-Operative Group Ltd 5.125% 05/17/24	464,131
450,000	Altice France Sa 5.875% 01/02/2027	452,000
450,000	Cogent Communications Gr 4.375% 30/06/2024	450,000
450,000	Wind Tre Spa 2.625% 01/20/23	429,400
400,000	Dkt Finance Aps 7.000% 17/06/2023	414,500