

INTERNATIONAL CAPITAL INVESTMENTS LIMITED

Company Registration Number: 59158

**Annual Report and Audited Financial Statements
For the year ended 30 June 2021**

INTERNATIONAL CAPITAL INVESTMENTS LIMITED

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INTERNATIONAL CAPITAL INVESTMENTS LIMITED

Management and Administration

Directors of the Company

Bradley Hill
Frank Boner
Stuart Platt-Ransom
David Walker

Registered Office

11 New Street
St Peter Port
Guernsey
GY1 2PF

Designated Manager and Administrator

Vistra Fund Services (Guernsey) Limited
11 New Street
St Peter Port
Guernsey
GY1 2PF

Listing and Annual Sponsor

Clarien BSX Services Limited
25 Reid Street
Hamilton
HM11
Bermuda

Investment Managers

Global Capital Holdings (Australia) Proprietary Ltd
Level 29
The Chifley Tower
2 Chifley Square
Sydney
New South Wales
Australia

Investec Australia Limited
Level 23
The Chifley Tower
2 Chifley Square
Sydney
New South Wales
Australia

Independent Auditor

Grant Thornton Limited
PO Box 313
Lefebvre House
Lefebvre Street
St Peter Port
Guernsey
GY1 3TF

INTERNATIONAL CAPITAL INVESTMENTS LIMITED

Report of the Directors

The Directors submit their Annual Report and Audited Financial Statements of International Capital Investments Limited (the "Company") for the year ended 30 June 2021.

On 8 December 2014, amended and restated Articles of Incorporation were adopted by Special Resolution to comply with the application by the Company to become a Registered Closed-Ended Investment Scheme and to enable the ordinary shares to be listed on the Bermuda Stock Exchange. The Company, on 25 March 2015, became licensed by the Guernsey Financial Services Commission as a Registered Closed-Ended Collective Investment Scheme under the provisions of The Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended. The Company is governed by the provisions of the Companies (Guernsey) Law, 2008, as amended.

On 6 July 2015, the Company was granted a listing for its ordinary shares on the Bermuda Stock Exchange.

On 17 January 2017, and again on 10 January 2018, the Articles of Incorporation of the Company were further amended by way of a Special Resolution as part of a review of the Company's operations.

Incorporation

The Company was incorporated in Guernsey on 13 October 2014.

Principal Activity

The Company's principal activity is to invest in a diversified portfolio of private equity and other specialised opportunities, with a predominant focus on investment in Australia.

Results

The results for the year ended 30 June 2021 are stated in the Statement of Comprehensive Income on page 7.

At the year end no Dividend has been declared. (30 June 2020: Nil)

Going Concern

The Directors have assessed the going concern status of the Company and note that it is their intention to continue to operate the Company for the foreseeable future. The Directors are of the opinion that the Company has sufficient assets to meet its liabilities as and when they fall due and has adequate resources to continue in operational existence for the foreseeable future. As such, the Directors have deemed it appropriate to adopt the going concern basis in preparing these Financial Statements.

Covid 19

During the period and to the date that the Financial Statements were approved, the coronavirus ("COVID-19") outbreak has continued to cause extensive disruptions to businesses and economic activities world wide. The Board acknowledges that COVID-19 has likely had an impact on the short term value of investments, but this cannot be quantified. As the pandemic continues the quantum of the future effect is difficult to determine, however the Directors are monitoring the situation and considering the effect it may have on the underlying assets of the Company going forward. The Company has sufficient cash reserves to meet liabilities as they fall due and, as the Company is closed-ended, the Directors have the power to decline requests to redeem shareholdings if they believe that such redemptions are not in the best interests of the Company. Therefore, the Board considers that the Covid-19 pandemic will not have a significant impact on the Company's ability to continue as a going concern.

Directors

The Directors during the year ended 30 June 2021, and to date, are listed on page 1. Details of Director remuneration and any Director related party transactions with the Company are disclosed in note 10 to the financial statements.

Pacol Investments RF Pty Limited ("Pacol") are the beneficial owners of 100% of the Company's shares in issue.

Mr Frank Boner is a Director of Pacol and controls 50% of the share capital of Pacol.

No other Director has any direct or indirect interest in the share capital of the Company.

No rights have been granted to any party to subscribe for further shares in the Company.

INTERNATIONAL CAPITAL INVESTMENTS LIMITED

Report of the Directors (continued)

Summary financial information

	For the year to 30 June 2017	For the year to 30 June 2018	For the year to 30 June 2019	For the year to 30 June 2020	For the year to 30 June 2021
	AUD	AUD	AUD	AUD	AUD
Profit / (loss) for the year	(1,218,323)	(282,922)	87,249	(282,660)	4,408,627
Total assets	15,056,505	14,851,811	14,851,056	14,578,267	13,462,753
Total liabilities	(83,312)	(161,540)	(73,536)	(83,407)	(59,266)
Total net assets	14,973,193	14,690,271	14,777,520	14,494,860	13,403,487

Investment Portfolio

Investment Name and description of business	Cost AUD	Carrying Amount AUD	% of Portfolio
<u>Lighting Investments Australia Holdings Pty Limited</u> - An Australian lighting company that focuses on the manufacturing, distribution and sale of lighting and allied electrical products predominantly within the commercial and industrial sectors.	2,885,159	6,020,595	62.40%
<u>Sunshine Securities Designated Activity Company</u> - Sunshine is a special purpose investment vehicle that invests into multi-jurisdictional listed and unlisted assets, including bonds, equity and funds.	833,782	2,343,713	24.29%
<u>UCW Limited</u> - Listed on the Australian Stock Exchange, the company builds and grows private education businesses in the Vocational Educational and Training Sector located in Australia.	2,061,991	1,284,284	13.31%

Please refer to note 6 of the financial statements for further detail on the basis of valuation of the above investments.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable laws and regulations.

The Companies (Guernsey) Law, 2008 (the "Law") requires the Directors to prepare Financial Statements for each financial period. Under that law, the Directors have elected to prepare the Financial Statements in accordance with Generally Accepted Accounting Principles (United Kingdom Accounting Standards and applicable Guernsey law). Under the Law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting standards and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

INTERNATIONAL CAPITAL INVESTMENTS LIMITED

Report of the Directors (continued)

Statement of Directors' Responsibilities (continued)

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with The Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended and the Companies (Guernsey) Law, 2008, as amended. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Disclosure of information to Auditor

The Directors who held office at the date of approval of this Report of the Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent Auditor

On 27 November 2020 Saffery Champness GAT LLP merged its business into Grant Thornton Limited and the Directors have received a proposal from Saffery Champness GAT LLP to novate the existing letter of engagement to Grant Thornton Limited. The Directors have considered the novation of the existing letter of engagement to Grant Thornton Limited and Grant Thornton Limited was reappointed as auditor.

Approved by the Board of Directors on 23 December 2021 and signed on their behalf by:

Bradley Hill

Director

David Walker

Director

INTERNATIONAL CAPITAL INVESTMENTS LIMITED
INDEPENDENT AUDITOR'S REPORT

To the Members of International Capital Investments Limited

Opinion

We have audited the financial statements of International Capital Investments Limited (the 'Company') for the year ended 30 June 2021 which comprise the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' (FRS 102).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2021 and of its profit for the year then ended;
- are in accordance with FRS 102; and
- comply with The Companies (Guernsey) Law, 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Guernsey, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – valuation of financial assets at fair value through profit or loss

We draw attention to note 6 of the financial statements, which describes the methodology, estimates and assumptions used by Management to estimate the fair value of the investment in Lighting Investments Australia Holdings Pty Limited ("Lighting Australia") and Sunshine Securities Designated Activity Company ("Sunshine"). The note details how Lighting Australia are considering strategic options in relation to its main subsidiary Pierlite and that the initial feedback received from this process supports the valuation of Lighting Australia, and is the same basis by which Sunshine is valued. Given that this process is not complete, there is uncertainty regarding its conclusion and the possibility that there could be changes which may impact the value of these investments at eventual realisation.

Our opinion is not modified in this respect.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

The key audit matter	How the matter was addressed in our audit
Valuation of listed and unlisted investments The investments are the most significant figure within the financial statements and are considered an accounting estimate. There is particular uncertainty surrounding the valuation of the unlisted investments as these are not based on publically available information.	<ul style="list-style-type: none">• Updating our understanding of the processes, policies and methodologies, and controls in relation to the valuation and measurement of the investments;• Reviewing Management's decisions regarding the selection of valuation methods and data used when deriving the fair value of the investments;• For investments held as at the year-end, obtaining confirmation of the shareholding held by the client from the third party companies involved;• For listed investments, agreeing valuations at the year-end to publicly available pricing;• For unlisted investments, reviewing and assessing the considerations provided in the investment valuation report and agreeing key inputs to supporting documentation; and• Assessing the calculations and inputs for evidence of management bias. Our result No material misstatements were noted as a result of our audit work on the valuation of the investments.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on pages 2 to 4, the directors are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INTERNATIONAL CAPITAL INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT (Continued)

To the Members of International Capital Investments Limited

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Jeremy Ellis.

Use of our report

This report is made solely to the Company's shareholders, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton Limited

Chartered Accountants
St Peter Port, Guernsey

Date: 23 December 2021

INTERNATIONAL CAPITAL INVESTMENTS LIMITED

Statement of Financial Position

As at 30 June 2021

	Notes	30 June 2021 AUD	30 June 2020 AUD
Non-Current Assets			
Investments	6	9,648,591	11,591,815
Current Assets			
Unpaid share capital	9	1	1
Debtors and prepayments	7	1,306,424	10,197
Cash and cash equivalents		2,507,737	2,976,254
		<u>3,814,162</u>	<u>2,986,452</u>
Current Liabilities			
Creditors: amounts falling due within one year	8	59,266	83,407
Net Current Assets		<u>3,754,896</u>	<u>2,903,045</u>
Net Assets		<u>13,403,487</u>	<u>14,494,860</u>
Capital and Reserves			
Share capital	9	110	176
Share premium	9	11,999,911	17,499,845
Reserves		1,403,466	(3,005,161)
Shareholders' Surplus		<u>13,403,487</u>	<u>14,494,860</u>
Net Asset Value per Ordinary Share		1,234.23	828.28

These Financial Statements were approved by the Board of Directors, authorised for issue on 23 December 2021 and were signed on its behalf by:

Bradley Hill

Director

David Walker

Director

The notes on pages 11 to 21 form an integral part of these Financial Statements.

INTERNATIONAL CAPITAL INVESTMENTS LIMITED**Statement of Comprehensive Income****For the year ended 30 June 2021**

	Notes	Year to 30 June 2021 AUD	Year to 30 June 2020 AUD
Income			
Realised losses on investments	6	(2,413,563)	-
Unrealised gains / (losses) on investments	6	6,960,283	(620,997)
Reversal of debt impairment	6	-	341,734
Unrealised foreign exchange movement on currency		(25,864)	5,694
Interest income		115,340	241,531
		4,636,196	(32,038)
Expenses			
Investment Manager's fees	10	(20,000)	40,000
Administration fees	10	68,786	68,976
Regulatory fees		18,363	18,806
Insurance fees		8,526	4,229
Legal and professional fees		1,343	-
Audit fees		23,748	19,872
Directors' fees	10	82,098	84,854
General expenses		44,705	13,885
		227,569	250,622
Profit / (loss) for the year		4,408,627	(282,660)
Other comprehensive income		-	-
Total comprehensive income / (expense) for the year		4,408,627	(282,660)
Basic and diluted profit / (loss) per Ordinary share	13	405.96	(16.15)

All activities are derived from continuing operations

The notes on pages 11 to 21 form an integral part of these Financial Statements.

INTERNATIONAL CAPITAL INVESTMENTS LIMITED**Statement of Changes in Equity
For the year ended 30 June 2021**

	Share Capital AUD	Share Premium AUD	Reserves AUD	Total Equity AUD
Balance as at 30 June 2019	176	17,499,845	(2,722,501)	14,777,520
Total comprehensive income for the year	-	-	(282,660)	(282,660)
Balance as at 30 June 2020	176	17,499,845	(3,005,161)	14,494,860
Redemption of ordinary shares	(66)	(5,499,934)	-	(5,500,000)
Total comprehensive income for the year	-	-	4,408,627	4,408,627
Balance as at 30 June 2021	110	11,999,911	1,403,466	13,403,487

The notes on pages 11 to 21 form an integral part of these Financial Statements.

INTERNATIONAL CAPITAL INVESTMENTS LIMITED**Statement of Cash Flows****For the year ended 30 June 2021**

	Year to 30 June 2021 AUD	Year to 30 June 2020 AUD
Cash flows from operating activities		
Profit / (loss) for the year	4,408,627	(282,660)
Unrealised (gain) / losses on revaluation of investments held at fair value	(6,960,283)	620,997
Reversal of debt impairment	-	(341,734)
Unrealised foreign exchange movement on currency	25,864	(5,694)
Realised loss on sale of investments	2,413,563	-
Interest for the year	(115,340)	(241,531)
Decrease in debtors and prepayments	(1,296,227)	(874)
Increase in creditors and accrued expenses	(24,141)	9,871
Net cash used in operating activities	<u>(1,547,937)</u>	<u>(241,625)</u>
Cash flows from investing activities		
Proceeds on sale of investments	6,593,156	1,923,594
Net cash from investing activities	<u>6,593,156</u>	<u>1,923,594</u>
Cash flows from financing activities		
Redemption of shares	(5,500,000)	-
Interest received	12,128	3,891
Net cash (used in) / from financing activities	<u>(5,487,872)</u>	<u>3,891</u>
Net (decrease) / increase in cash and cash equivalents	<u>(442,653)</u>	<u>1,685,860</u>
Cash and cash equivalents at beginning of the year	2,976,254	1,284,700
Foreign exchange movement	(25,864)	5,694
Cash and cash equivalents as at end of the year	<u><u>2,507,737</u></u>	<u><u>2,976,254</u></u>

The notes on pages 11 to 21 form an integral part of these Financial Statements.

INTERNATIONAL CAPITAL INVESTMENTS LIMITED

Notes to the Financial Statements

For the year ended 30 June 2021

1. General Information

International Capital Investments Limited is a Closed-Ended Investment Company established under the laws of Guernsey with limited liability on 13 October 2014. The Company's registration number is 59158. On 25 March 2015 the Company was licensed by the Guernsey Financial Services Commission ("GFSC") as a Registered Closed-Ended Collective Investment Scheme. International Capital Investments Limited is a limited life company with a termination date set for the 11th anniversary of the Initial Closing Date of 06 July 2015, or the 13th anniversary of the initial closing date, as the case may be, pursuant to the applicable resolution being passed by the majority of Investors.

The address of its registered office is 11 New Street, St Peter Port, Guernsey, GY1 2PF.

The Company's principal activity is to invest in a diversified portfolio of private equity and other specialised opportunities, with a predominant focus on investment in Australia.

On 6 July 2015 the Company was granted a listing for its ordinary shares on the Bermuda Stock Exchange.

2. Statement of Compliance

The Financial Statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom" ("FRS 102").

3. Accounting Policies

(a) Basis of preparation

These Financial Statements were prepared in accordance with FRS 102. The presentation currency of these Financial Statements and the functional currency of the Company is Australian Dollars ("AUD"). The board consider AUD to be the presentational and functional currency as the share capital was raised in AUD and a significant proportion of the net assets are AUD denominated.

The Financial Statements have been prepared under the historical cost convention, modified to include certain items at fair value and in accordance with applicable Guernsey Law and give a true and fair view.

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been applied consistently unless otherwise stated.

(b) Foreign currency

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

(c) Income and expenses

Income and expenses are recognised in the Statement of Comprehensive Income on an accruals basis.

(d) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

i. Financial assets

All financial assets are initially measured at transaction price, except for those financial assets classified as at fair value through profit and loss, which are initially measured at fair value (which is normally their cost as at the transaction date).

INTERNATIONAL CAPITAL INVESTMENTS LIMITED

Notes to the Financial Statements (continued)

For the year ended 30 June 2021

3. Accounting Policies (continued)

(d) Financial instruments (continued)

i. Financial assets (continued)

Equity instruments, mezzanine debt facilities and loan notes are measured at fair value, where fair value can be reliably measured, as their performance is evaluated on a fair value basis. Where the fair value of equity instruments, mezzanine debt and loan notes cannot be reliably measured, they are recorded at cost less impairment.

Senior debt facilities are measured at amortised cost using the effective interest method as they represent debt instruments where the contractual return to the holder is based on a positive fixed or variable rate.

Debtors and prepayments, as well as cash and cash equivalents, that are due within one year are measured at the undiscounted amount receivable. There are no debtors or prepayments due in more than one year.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii. Financial liabilities

All financial liabilities are due within one year at recognition and measured at the undiscounted amount payable. These include creditors and accrued expenses. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

iii. Fair value

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arms length transaction at the measurement date. Where available, fair value is based on observable market prices or parameters or derived from such prices or parameters. Where reliable observable prices or inputs are not available, valuation techniques are applied. These valuation techniques involve varying levels of management estimation and judgement, the degree of which is dependent on a variety of factors. Hierarchical levels, as defined by FRS 102, are directly related to the amount of subjectivity associated with the inputs to the valuation of these investments. See note 11 for further details.

The difference between cost and valuation, being an unrealised surplus/deficit on investments, is recognised in the Statement of Comprehensive Income. Realised surpluses and deficits on part sales of investments are arrived at by deducting the average costs of such investments from their sale proceeds and are recognised in the Statement of Comprehensive Income.

iv. Valuation of Investments

Critical judgement and estimation exists on the valuation of certain financial instruments which are valued using the latest available financial information provided by the manager or administrator of the instrument and also judgement is required in determining what constitutes "observable" inputs. It is the judgement of the directors that these valuations represent the fair value of these instruments. Further details of the valuation of these instruments are shown in note 11.

Listed investments are based upon quoted prices where the market is considered to be an active market and therefore do not involve a significant element of judgement or estimation. Listed investments that are not held on an active market, where the listed price is not deemed to reflect fair value, or where publicly available quoted prices are available on multiple exchanges but indicate conflicting fair values, are valued using the net asset value of the underlying audited financial statements.

(e) Going concern

The Directors have, at the time of approving the Financial Statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the Financial Statements of the Company. During the period and to the date that the Financial Statements were approved, the coronavirus ("COVID-19") outbreak has continued to cause extensive disruptions to businesses and economic activities world wide. As the pandemic continues the quantum of the future effect is difficult to determine, however the Directors are monitoring the situation and considering the effect it may have on the underlying assets of the Company going forward. The Company has sufficient cash reserves to meet liabilities as they fall due and, as the Company is closed-ended, the Directors have the power to decline requests to redeem shareholdings if they believe that such redemptions are not in the best interests of the Company. Therefore, the Board considers that the Covid-19 pandemic will not have a significant impact on the Company's ability to continue as a going concern.

INTERNATIONAL CAPITAL INVESTMENTS LIMITED

Notes to the Financial Statements (continued)

For the year ended 30 June 2021

4. Significant judgements and key sources of estimation

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

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

5. Taxation

The Company is exempt from Guernsey taxation under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989. A fixed annual fee of GBP 1,200 is payable to the States of Guernsey in respect of this exemption.

It is the intention of the Directors to conduct the affairs of the Company so as to ensure that it continues to qualify for exempt company status for the purposes of Guernsey taxation.

6. Investments

	30 June 2021	30 June 2020
	AUD	AUD
Opening portfolio cost	14,706,521	16,050,741
Redemptions at cost	(9,006,719)	(1,923,594)
Interest capitalised	81,130	214,437
Accrued Interest not yet capitalised	22,083	23,203
Reversal of Impairment	-	341,734
Closing portfolio cost	5,803,015	14,706,521
Opening accumulated unrealised loss on investments	(3,114,706)	(2,493,709)
Unrealised gain / (loss) on investments for the year	6,960,282	(620,997)
Closing accumulated unrealised loss on investments	3,845,576	(3,114,706)
Closing valuation	9,648,591	11,591,815

Please refer to page 3 for further details on the investment portfolio and to note 11 for further details on the closing valuation of investments.

On 30 March 2021, Universal Partners Limited was fully disposed of for a gross amount of AUD 4,723,220. This investment was recorded at a Fair Value of AUD 6,306,001 in the prior year. The cost of Universal Partners Limited was AUD 5,516,940. Upon its disposal, the Company made a realised loss of AUD 793,720.

On 1 June 2021, 1,658,910 shares (30 June 2020: Nil) in Evolt Pty Limited were fully disposed for an amount of AUD 331,907 (30 June 2020: AUD Nil). In the prior year this investment had been valued at GBP Nil, which was the Directors' estimation of fair value based on the most recent available financial results. The cost of Evolt Pty Limited was AUD 1,951,750. Upon its disposal, the Company made a realised loss of AUD 1,619,843.

An amount of AUD 736,572 invested in the equity of Lighting Investments Australia Holdings Pty Limited ("Lighting Australia") in 2017, has been valued at AUD Nil as at 30 June 2021 (30 June 2020: AUD Nil), which is the Directors' estimation of fair value based on the most recent available financial results of this entity.

INTERNATIONAL CAPITAL INVESTMENTS LIMITED

Notes to the Financial Statements (continued)

For the year ended 30 June 2021

6. Investments (continued)

In addition to the equity investments valued at nil, amounts have also been invested in Lighting Australia through their Senior Debt facility and their Mezzanine Debt facility.

As foreshadowed in the Company's FY20 annual financial statements, Lighting Australia completed a significant restructure of its operations at the end of 2020. This together with favourable market conditions has resulted in a significant improvement in Lighting Australia's earnings which has also benefitted from a significant contract win with the New South Wales (NSW) Government which is currently being undertaken. As noted in note 14, Lighting Australia is considering strategic options in relation to its main subsidiary Pierlite, which could lead to the repayment of the debt held but would have no impact on the equity held. Whilst this process is not complete, the initial feedback from this process received to date as well as the significantly improved financial position of the business support the Director's valuation of the Lighting Australia investment, in uplifting the value of the debt and maintaining the value of the equity at nil.

An amount of AUD 4,356,399 was invested in the Senior Debt facility, in 2017, in order to acquire debt of AUD 4,759,828. This debt attracts interest at a variable rate, with a floating base rate and variable margin based upon the gearing ratio of Lighting Australia. As at the year end, the interest rate is 4.716% (30 June 2020: 4.716%). With effect from November 2018, all interest on this debt is capitalised on a quarterly basis, in line with the terms of the facility. Prior to this date, interest had erroneously been settled quarterly in cash. This debt is unsecured and is due to mature on 5 July 2022. During the year AUD 1,305,271 (30 June 2020: AUD 1,923,594) of principal was repaid. At the year end, this debt was carried at AUD 1,919,511 (30 June 2020: AUD 3,120,415) with additional interest to 30 June 2021 due to be capitalised of AUD 22,083 (30 June 2020: AUD 23,203). This debt has been carried at amortised cost using the effective interest rate method.

An amount of AUD 229,075 was invested in the Lighting Australia Mezzanine Debt facility, in 2017, in order to acquire debt of AUD 5,890,500. With effect from 5 July 2018, this debt attracts interest at a fixed rate of 2.5%, capitalised on a quarterly basis. Prior to this date, interest was capitalised at 14% per annum on a quarterly basis. The capital balance of the debt as at 30 June 2021 is AUD 9,589,906 with accrued interest of AUD 59,773. The debt is unsecured and is due to mature on 5 July 2023. At the year end, this debt was valued at fair value at AUD 4,079,000 to the Company (30 June 2020: valued at cost AUD 229,075 to the Company). In the prior year, the debt was measured at the original cost to the Company as management were unable to derive a fair value as at 30 June 2020.

The Company invested ZAR 11.3m to acquire Notes, with a nominal value of ZAR 29.95m, in Sunshine Securities Designated Activity Company ("Sunshine"). These Notes, which mature in March 2045, attract no annual interest. Given that the only remaining assets in the Sunshine structure consist of the remaining portion of Senior Facility B and Mezzanine Debt facility issued by Lighting Australia which is discussed above, this investment has been carried at fair value of AUD 2,343,713 at the year end (30 June 2020: AUD 949,808), on the same basis as the Company's direct holdings in Lighting Australia. No impairment has been provided for at year end (30 June 2020: AUD Nil). On 22 July 2020, proceeds of AUD 232,759 were received from Sunshine, following the sale of their major asset; the GIF3A fund.

7. Debtors and prepayments

	30 June 2021	30 June 2020
	AUD	AUD
Prepayments	5,899	9,477
Return of capital receivable from Lighting Australia	1,300,524	-
Bank interest receivable	1	720
	<u>1,306,424</u>	<u>10,197</u>

8. Creditors: amounts falling due within one year

	30 June 2021	30 June 2020
	AUD	AUD
Investment Manager's fee payable (further detail - note 10)	-	20,000
Administration fees payable (further detail - note 10)	17,262	16,387
Audit fee payable	25,823	26,869
Directors' fees payable (further detail - note 10)	14,365	20,151
Other payables	1,816	-
	<u>59,266</u>	<u>83,407</u>

9. Share Capital

Management shares	2021	2020
	AUD	AUD
Authorised		
Management shares of AUD 1 each	<u>1</u>	<u>1</u>
Issued and unpaid		
Management shares of AUD 1 each	<u>1</u>	<u>1</u>

INTERNATIONAL CAPITAL INVESTMENTS LIMITED

Notes to the Financial Statements (continued)

For the year ended 30 June 2021

9. Share Capital (continued)

Management shares are not redeemable, do not carry any right to dividends and in a winding up rank only for a return of the amount of paid up capital on the management shares. The one issued management share is yet to be paid for and is reflected in current assets on the Statement of Financial Position. The one Management share in issue is entitled to one vote at a meeting of the shareholders of the Company.

Ordinary Share Capital	2021	2020
	No. of shares	No. of shares
Authorised		
Ordinary shares of AUD 0.01 each	999,000	999,000
Issued and fully paid	AUD	AUD
10,860 Ordinary share (30 June 2020: 17500 Ordinary shares) of AUD 0.01 each	109	175
Share Premium	AUD	AUD
In respect of ordinary share as at year end	11,999,911	17,499,845

The ordinary shares have a par value of AUD 0.01 each in the share capital of the Company, as well as fractions of such ordinary shares, as the context requires. The Company has one class of ordinary share which carries no right to fixed income. Each ordinary share in issue is entitled to one vote at any meeting of the shareholders of the Company.

On the Redemption Date, being the date one calendar month after the 11th anniversary of the Initial Closing Date of 6 July 2015, and subject to all investments having been liquidated and/or distributed, the Company shall be obliged to redeem all Ordinary Shares and payment shall be effected by the Administrator to the shareholder no later than 5 Business Days after the Redemption Date.

The Redemption Date may be extended to the 13th anniversary of the Initial Closing Date, pursuant to the applicable resolution being passed by the requisite majority of investors in a general meeting.

The Company shall, prior to the Redemption Date, have the right, but not the obligation, on receipt by it of a request of redemption of Ordinary Shares to redeem all or any part of such Ordinary Shares at such price and at such time or times and otherwise in such terms as the Directors may in their absolute discretion determine without prejudice to the interest of the holders of the remaining Ordinary Shares.

Any such redemption of Ordinary Shares prior to the Redemption Date will be subject to a settlement and registration fee of up to 1.25% of the total value of the applicable transaction, of which 0.75% of the total value of the applicable transaction is payable to and for the account of the Administrator.

During the year ended 30 June 2021, 6,640,267 shares (30 June 2020: Nil) were redeemed at a net asset value per ordinary share of AUD 828.28, for a total redemption amount of AUD 5,500,000 (30 June 2020: AUD Nil) .

10. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence over the other party in making financial or operational decisions or if one party is a member of the key management personnel of the other or of the parent company of the other.

Mr Boner, a Director of the Company, is the indirect beneficial owner of 50% of the share capital of the Company. Mr Boner is a 50% shareholder in Pacol Investments RF Pty Limited ("Pacol"), a company domiciled in South Africa. Pacol owns 100% of the share capital of the Company and as such is the immediate and ultimate parent company, and the ultimate controlling party. Pacol does not produce consolidated financial statements.

Mr Walker, a Director of the Company, is also a Director of the Administrator, Vistra Fund Services (Guernsey) Limited. During the year under review, the Administrator was entitled to fees of AUD 68,786 (30 June 2020: AUD 68,976) of which AUD 17,262 (30 June 2020: AUD 16,387) remained outstanding at the year end.

INTERNATIONAL CAPITAL INVESTMENTS LIMITED

Notes to the Financial Statements (continued)

For the year ended 30 June 2021

10. Related party transactions (continued)

Under the Investment Management Agreement ("IMA"), Global Capital Holdings (Australia) Proprietary Ltd ("Global") was entitled to an upfront fee of 0.25% of the Company's Funds on the aggregate subscription proceeds received by the Company, payable within thirty days of the Initial Closing Date, and an Annual Fee of 0.5% per annum on the Company's Funds, with the first fee payable together with the upfront fee for the period from the Initial Closing Date to 30 June 2015. Thereafter future annual Investment Manager's Fee would be paid six monthly in advance; commencing 1 July 2015. Finally a Performance Incentive fee may be paid. Should the Company receive an annual IRR of 10% on the cost of the Investment Portfolio an amount of 20% of the excess of the cash flows over the cost of the Investment Portfolio will be payable to Global.

With effect from 1 January 2017, the terms of the IMA with regards to fees were amended. As Global were not involved in the Management of all investments made by the Company, the basis of the fee due to Global was amended to 1% of the amounts the Company had invested in Evolt Pty Limited and UCW Limited, which continue to be managed by Global.

The Company's investments in UCW Limited and Evolt Pty Limited are considered investments in related parties, as both of these investments are controlled by Global.

During the year, Global were entitled to fees of AUD 40,000 (30 June 2020: AUD 40,000) which they have waived. Moreover, AUD 20,000 for year ended 30 June 2020 was also waived. As such, AUD Nil (30 June 2020: AUD 20,000) remained outstanding at the year end. No performance incentive fee was due to Global for the year (30 June 2020: Nil.)

All investments made after 1 January 2017, Lighting Investments, Sunshine Notes and Universal Partners, were made using Investec Australia Limited ("IAL") as the Investment Manager.

In the current and previous financial years, IAL confirmed that they would not be charging any fees for the services that they provide under their proposed IMA. Therefore the overall Investment Manager Fee expense for the year was AUD Nil.

With effect from 12 December 2017 each Director, with the exception of Mr Boner who continues to waive his entitlement to any fee, is entitled to a Directors fee of GBP15,000 per annum. Prior to this date, Directors fees were GBP5,250 per annum. Directors fees for the year are as follows:

	Charge 2021 AUD	Charge 2020 AUD	Payable at the year end 2021 AUD	Payable at the year end 2020 AUD
Mr Platt-Ransom	27,125	28,272	-	6,717
Mr Hill	27,648	28,306	7,448	6,717
Mr Walker	27,206	28,276	6,917	6,717
	<u>81,979</u>	<u>84,854</u>	<u>14,365</u>	<u>20,151</u>

INTERNATIONAL CAPITAL INVESTMENTS LIMITED**Notes to the Financial Statements (continued)****For the year ended 30 June 2021****11. Financial Instruments**

The carrying values of the Company's financial assets and liabilities are summarised by category below:

	30 June 2021	30 June 2020
	AUD	AUD
Financial assets		
Measured at fair value through profit or loss:		
Investment at fair value		
Evolv Pty Limited	-	-
Lighting Investment Australia - Mezzanine Debt Facility	4,079,000	-
UCW Limited - Ordinary Shares	1,284,284	963,213
Universal Partners Limited	-	6,306,001
Sunshine Notes	2,343,713	-
Measured at cost less impairment		
Sunshine Notes	-	949,908
UCW Limited - Options	-	-
Lighting Investment Australia - Management Shares	-	-
Lighting Investment Australia - Ordinary Shares	-	-
Lighting Investment Australia - Preference Shares	-	-
Lighting Investment Australia - Mezzanine Debt Facility	-	229,075
Measured at amortised cost		
Lighting Australia Senior Debt facility	1,919,512	3,120,415
Accrued Interest		
Lighting Australia Senior Debt facility	22,083	23,203
Measured at undiscounted amount receivable:		
Debtors (excluding prepayments)	1,300,525	720
Cash and cash equivalents	2,507,737	2,976,254
Total financial assets	<u>13,456,854</u>	<u>14,568,789</u>
Financial liabilities		
Measured at undiscounted amount payable:		
Creditors and accrued expenses	59,266	83,407
Total financial liabilities	<u>59,266</u>	<u>83,407</u>

Under FRS 102, the Company is required 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 has the following levels:

Level 1 - Quoted Prices (unadjusted) for identical instruments in active markets

Level 2 - Inputs other than quoted prices within level 1 that are observable for instruments, either directly (that is, as prices) or indirectly (that is, derived from prices)

Level 3 - Valuation techniques using unobservable market data

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 of input that is significant to the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is classified as 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 market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Company's financial assets and liabilities measured at fair value:

	30 June 2021	30 June 2020
	AUD	AUD
Level 1 - Quoted Prices (unadjusted) for identical instruments in active markets		
<i>Financial assets at fair value through profit or loss</i>	<u>1,284,284</u>	<u>963,213</u>
Level 2 - Inputs other than quoted prices within level 1 that are observable for instruments, either directly (that is, as prices) or indirectly (that is, derived from prices)		
<i>Financial assets at fair value through profit or loss</i>	<u>-</u>	<u>6,306,001</u>
Level 3 - Valuation techniques using unobservable market data		
<i>Financial assets at fair value through profit or loss</i>	<u>6,422,713</u>	<u>-</u>

INTERNATIONAL CAPITAL INVESTMENTS LIMITED

Notes to the Financial Statements (continued)

For the year ended 30 June 2021

11. Financial Instruments (continued)

Level 1 - As at 30 June 2021, the financial asset included Ordinary Shares in UCW Limited. The movement during the year relates to the fair value movement for this investment.

Level 2 - Investment in Universal Partners Limited was disposed of during the year end as disclosed in note 6. As at 30 June 2021, there are no financial assets and liabilities which have been classified within Level 2.

Level 3 - During the year end, Mezzanine Debt Facility in Lighting Investment Australia and Sunshine Notes which were held at cost in the prior year end were fair valued and included within Level 3.

All Level 1 investments are valued via prices obtained from a recognised exchange, Level 2 investments are valued based on the NAV of the underlying audited Financial Statements and Level 3 investments are based upon the latest available information notified to the Company by the Investment Manager or administrator of the investment, which in the Directors' opinion represents the fair value of the investments at the year end date.

12. Financial Risk Management

The Investment Restrictions set out the risk management policies and guidelines for the Company. The main risks are summarised below.

a) Market price risk

This risk arises because the Company's investments are exposed to market price fluctuations, which are monitored by the Investment Manager. The Company has the following investment restrictions in place in order to manage this risk:

- A single investment may not exceed 30% of the aggregate amounts received by the Company from Investors (the "Company's Funds"), less an estimated amount of up to 1.5% of the Company's Funds (the "Expense Provision")
- A single investment strategy may not exceed 80% of the Company's Funds, less the Expense Provision.

These restrictions may be exceeded if the relevant investment is approved by Investors by Ordinary Resolution. As such, on 27 November 2017, an Ordinary Resolution was passed approving the investments into Universal Partners Limited and Lighting Investment Australia, each of which was in excess of 30% of the Company's Funds less the Expense Provision.

This investment policy remains unchanged from the previous year.

The Company's sensitivity to a 10% increase or decrease in market prices of assets held at fair value, hence excluding those held at cost and amortised cost, is as follows. 10% is deemed a reasonable estimate of likely movement in prices when compared with historical movements and latest market information.

	Total Value of Investments AUD	Impact on Statement of Financial Position AUD
30 June 2021	<u>7,706,997</u>	<u>+/- 770,700</u>
30 June 2020	<u>7,269,214</u>	<u>+/- 726,921</u>

b) Credit risk

The Company is exposed to credit risk on the counterparties with whom it trades. There exists a risk that counterparties may not perform their obligations and that settlement of transactions may not occur. It is the Directors' policy to enter into financial arrangements only with reputable counterparties and on this basis, places its cash and cash equivalents with Investec Bank (Channel Islands) Limited.

Investec Bank plc, the parent company of Investec Bank (Channel Islands) Limited, has a Moody's rating of A1 and a Fitch rating of BBB+ (30 June 2020 : A1 and BBB+ respectively). As at 30 June 2021, there is no collateral or security held by Investec Bank (Channel Islands) Limited in relation to the Company.

The Company is exposed to credit risk on its investments as a result of underperformance or withdrawal of investment in the underlying entities. The risk is mitigated by the thorough due-diligence process undertaken before an investment is made along with monitoring the investment throughout its life.

INTERNATIONAL CAPITAL INVESTMENTS LIMITED**Notes to the Financial Statements (continued)****For the year ended 30 June 2021****12. Financial Risk Management****b) Credit risk (continued)**

The Company's exposure to significant single investments is regularly monitored by the Investment Manager to ensure that any investments that exceed the agreed upon investment restrictions, per the Investment Management Agreement, are appropriately approved by Shareholders as set out in the Articles of Association of the Company.

The following carrying amount of financial assets best reflects the maximum credit risk exposure at the year end:

Assets	30 June 2021 AUD	30 June 2020 AUD
Cash and cash equivalents	2,507,737	2,976,254
Debtors (excluding prepayments)	1,300,525	720
Financial assets at fair value through profit or loss	7,706,997	7,269,214
Financial assets at cost less impairment	-	1,178,983
Financial assets at amortised cost	1,941,595	3,143,618
	<u>13,456,854</u>	<u>14,568,789</u>

As at 30 June 2021, Management Shares, Ordinary Shares and Preference Shares in Lighting Investment Australia and Options in UCW Limited have been impaired.

c) Liquidity risk

The Company's assets consist mainly of investments in private equity and cash. The main liabilities of the Company are as detailed in note 8 of these Financial Statements. Liquidity risk may arise from the potential inability to pay these liabilities when they fall due and the potential difficulty in liquidating the Company's investments in order to meet these liabilities.

As the Company is a closed-ended fund, redemptions are only granted at the Directors' discretion. As a result, the Directors have the option to refuse redemption applications should this be required to mitigate liquidity risk.

As the Company currently has significant cash balances, well in excess of the amount of creditors due within one year, and the Investment Restrictions allow for an Expense Provision of up to 1.5% to be safeguarded from investment, the Directors are of the opinion that the Company has limited liquidity risk.

The Company's main financial commitments are amounts payable in relation to its ongoing annual operating expenses. The table below analyses these into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

30 June 2021	Less than 1 month AUD	1 - 3 months AUD	3 months to 1 year AUD	Total AUD
Administration fees	17,262	-	-	17,262
Directors' fees	14,365	-	-	14,365
Audit fees	-	-	25,823	25,823
Investment management fees	-	-	-	-
Other payables	1,816	-	-	1,816
	<u>33,443</u>	<u>-</u>	<u>25,823</u>	<u>59,266</u>
30 June 2020	Less than 1 month AUD	1 - 3 months AUD	3 months to 1 year AUD	Total AUD
Administration fees	16,387	-	-	16,387
Directors' fees	20,151	-	-	20,151
Audit fees	-	-	26,869	26,869
Investment management fees	20,000	-	-	20,000
Other payables	-	-	-	-
	<u>56,538</u>	<u>-</u>	<u>26,869</u>	<u>83,407</u>

INTERNATIONAL CAPITAL INVESTMENTS LIMITED

Notes to the Financial Statements (continued)

For the year ended 30 June 2021

12. Financial Risk Management

d) Currency risk

The Company's assets may be acquired in currencies other than the base currency of the Company. The Company's exposure to foreign currency assets and liabilities is as follows:

	2021 AUD	2020 AUD
Assets based in Sterling	345,145	6,538,863
Liabilities based in Sterling	(59,266)	(63,407)
Net exposure to Sterling	<u>285,879</u>	<u>6,475,456</u>
Assets based in, and net exposure to, South African Rand	<u>2,343,713</u>	<u>949,908</u>

At 30 June 2021, had the exchange rate between Australian Dollars and the following currencies increased or decreased by 10% with all other variables held constant, the increase or decrease respectively in net assets attributable to holders of Ordinary Shares would be:

	2021 AUD	2020 AUD
Sterling	+/- 28,588	+/- 647,546
South African Rand	+/- 234,371	+/- 94,991

The Directors are of the opinion that risk in relation to exchange rate fluctuations, while potentially material to the Company, is adequately mitigated by holding a significant proportion of net assets in the base currency. The costs of implementing an effective hedging policy to fully mitigate this risk are not deemed to be in the best interests of the shareholders of the Company. The Directors view the main currency exposure, to Sterling, as being with a stable currency not normally subject to material fluctuations.

e) Capital management

The capital of the Company is represented by its equity and reserves. The capital and reserves of the Company, along with their movements for the year are detailed in the Statement of Changes in Equity on page 9.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns.

The Company's capital can change significantly as a result of subscriptions and redemptions. As the Company is a closed-ended fund, redemptions are only granted at the Directors' discretion. As a result, the Directors have the option to refuse redemption applications in whole or in part in order to maintain the capital structure.

f) Interest rate risk

The Company is exposed to interest rate risk associated with the effects of fluctuations in the prevailing levels of market interest rates on cash balances and financial asset debt instruments included within investments.

The interest rate profile of the financial assets as at the Statement of Financial Position date is as follows:

	30 June 2021 AUD	30 June 2020 AUD
Non-interest bearing financial assets	4,928,522	8,219,842
Variable rate financial assets	4,449,332	6,119,872
Fixed rate financial assets	4,079,000	229,075
	<u>13,456,854</u>	<u>14,568,789</u>

INTERNATIONAL CAPITAL INVESTMENTS LIMITED

Notes to the Financial Statements (continued)

For the year ended 30 June 2021

12. Financial Risk Management

f) Interest rate risk (continued)

The following sensitivity analysis has been determined based on the exposure to interest rates at the end of the reporting year. As at 30 June 2021, the impact on the result of a 100 basis point decrease in interest rates, being an amount which the Directors reasonably assess as a potential interest rate movement (with all other factors remaining equal) would result in an AUD 44,493 (30 June 2020: AUD 61,199) decrease in bank interest income. Similarly, a 100 basis point increase in interest rates would result in an AUD 44,493 (30 June 2020: AUD 61,199) increase in bank interest income.

Based on these potential movements, the Directors have deemed that interest rate risk is not currently a material risk to the Company.

13. Basic and Diluted Loss per Share

	30 June 2021	30 June 2020
Profit / (loss) attributable to ordinary shares	4,408,627	(282,660)
Weighted average number of shares in issue	10,859.75	17,500.02
Profit / (loss) per ordinary share	405.96	(16.15)

The weighted average number of shares was calculated with reference to the number of days units have been in issue and hence their ability to influence income generated.

The ordinary shares had no dilutive potential as at 30 June 2021. Therefore, basic and diluted profit / (loss) per share are equal.

14. Subsequent events

On 6 July 2021, an amount of AUD 1,300,524 was received from Lighting Australia as a return of capital, which was booked as a receivable at year end.

One of the Company's investments, Lighting Investments Australia Holdings Pty Limited, is considering strategic options in relation to its subsidiary Pierlite and this process is still evolving as at the date of these financial statements.

There are no other events subsequent to the period end which would have a material impact on the financial statements of the Company and which require disclosure.