BACIT LIMITED

ANNUAL REPORT AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

BACIT LIMITED

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BACIT LIMITED

MANAGEMENT AND ADMINISTRATION

DIRECTORS
Jeremy Tigue (Chairman)
Arabella Cecil *(appointed 9 September 2015)*
Peter Hames
Thomas Henderson
Colin Maltby
Nicholas Moss
Jonathan Moulton *(resigned 9 September 2015)*
Martin Thomas *(resigned 18 March 2016)*

INDEPENDENT AUDITOR
Deloitte LLP
PO Box 137,
Regency Court,
Glategny Esplanade, St. Peter Port,
Guernsey, GY1 3HW

SPONSOR
J.P. Morgan Securities plc
25 Bank Street,
Canary Wharf,
London, E14 5JP

CUSTODIAN
Northern Trust (Guernsey) Limited
PO Box 71,
Trafalgar Court,
Les Banques, St. Peter Port,
Guernsey, GY1 3DA

ADMINISTRATOR AND SECRETARY
Northern Trust International
Fund Administration
Services (Guernsey) Limited
PO Box 255,Trafalgar Court,
Les Banques, St. Peter Port,
Guernsey, GY1 3QL

LEGAL ADVISORS (GUERNSEY)
Carey Olsen Client Services
(Guernsey) Limited
PO Box 98,
Carey House,
Les Banques, St. Peter Port,
Guernsey, GY1 4BZ

REGISTRAR
Capita Registrars (Guernsey) Limited
Mont Crevelt House,
Bulwer Avenue, St. Sampson,
Guernsey, GY2 4LH

LEGAL ADVISORS (UK)
Freshfields Bruckhaus Deringer LLP
65 Fleet Street,
London, EC4Y 1HS

INVESTMENT MANAGER
BACIT (UK) Limited
2nd Floor, 10 Aldermanbury
London, EC2V 7RF

REGISTERED OFFICE
PO Box 255,
Trafalgar Court,
Les Banques, St. Peter Port,
Guernsey, GY1 3QL

SUMMARY INFORMATION

Structure
BACIT Limited (the "Company") is incorporated in Guernsey as a registered closed-ended investment company. The Company's Ordinary Shares were listed on the premium segment of the London Stock Exchange ("LSE") on 26 October 2012 when it commenced its business.

The Company has raised the following share capital:

	£
Capital raised at launch of the Company	206,734,775
Net capital raised since launch of the Company to 31 March 2016*	204,376,781
Total capital raised by the Company (excluding share issue costs)	411,111,556

Shares in issue at 31 March 2016	**Number of shares**
Ordinary shares at launch of the Company	206,734,775
Ordinary shares since launch of the Company to 31 March 2016*	177,930,383
	384,665,158

*During October 2013, the Company raised £200 million gross from the issuance of C Shares. These shares were subsequently converted into the Company's Ordinary Shares effective 31 December 2013. Ordinary Shares issued during the years 2015 and 2016 relate to the 2014 and 2015 scrip dividends, respectively.

Financial Highlights

	31.03.16	**31.03.15**
Total Net Assets ('000)	£472,245	£479,064
Net Asset Value per Share	£1.23	£1.25
Market Share Price	£1.32	£1.21
Premium/(discount) to Net Asset Value	7.3%	(3.2%)

Ongoing Charges
Ongoing Charges are calculated based on weighted average Net Asset Value ("NAV"). The Ongoing Charges ratio of BACIT Limited and BACIT GP Limited (together, the "Group" or "BACIT") and BACIT Investments LP Incorporated (the "Partnership") for the year ended 31 March 2016 was 0.28% (31 March 2015: 0.21%) excluding charitable donations and 1.28% (31 March 2015: 1.28%) including charitable donations. Ongoing charges include the fee paid to the Investment Manager but do not include any other net management fees and performance fees, as there are no such fees payable by the Group and the Partnership (other than those fees paid to CRT Pioneer Fund LP ("the Pioneer Fund")). Other operating costs are also charged by the underlying funds. However these are immaterial and are therefore also excluded in the calculation of Ongoing Charges.

CHAIRMAN'S STATEMENT

Dear Shareholder

For the year to 31 March 2016 BACIT's Net Asset Value ("NAV") total return per share was -0.2% (31 March 2015: 0.8%) and the share price total return was 8.5% (31 March 2015: 3.2%).

It was a difficult year for investors in most markets and the Company's NAV performance was relatively resilient. The Investment Manager's report explains our strategy and the main contributors to performance.

Since launch on 26 October 2012 the NAV total return has been 29.5% (annualised return 7.9%) and the share price total return 31.5% (annualised return 8.3%).

BACIT will pay a scrip dividend of 2.2 pence per share on 19 August 2016. Shareholders will have the option to elect to receive this dividend in cash. The Board will continue to operate a progressive dividend policy.

This year we are making charitable donations of £2.38 million (31 March 2015: £2.20 million) to The Institute of Cancer Research and £2.38 million (31 March 2015: £2.20 million) to The BACIT Foundation for onward distribution to the nominated charities. Including these donations since launch we will have made charitable donations of more than £13.3 million.

In December 2014 shareholders approved a change in our investment policy to allow BACIT to commit up to £20 million to the Pioneer Fund to meet our commitment to invest up to 1% of our NAV each year into cancer research.

It is pleasing to report that the Pioneer Fund has had a very good year in terms of research results and valuation uplifts as described in the Report of the Investment Manager and note 21.

In December 2015 shareholders approved a change in our management arrangements which puts our manager, BACIT (UK) Limited ("the Investment Manager") on a more sustainable basis for the long term as described in note 15.

There were three changes to the Board this year. Jon Moulton and Martin Thomas retired and Arabella Cecil joined. Jon and Martin have made huge contributions to getting BACIT to where it is today for which we are very grateful. Martin is continuing as Chairman of the Investment Manager. Arabella is Chief Investment Officer of the Investment Manager and has played a vital role in the investment success we have achieved to date.

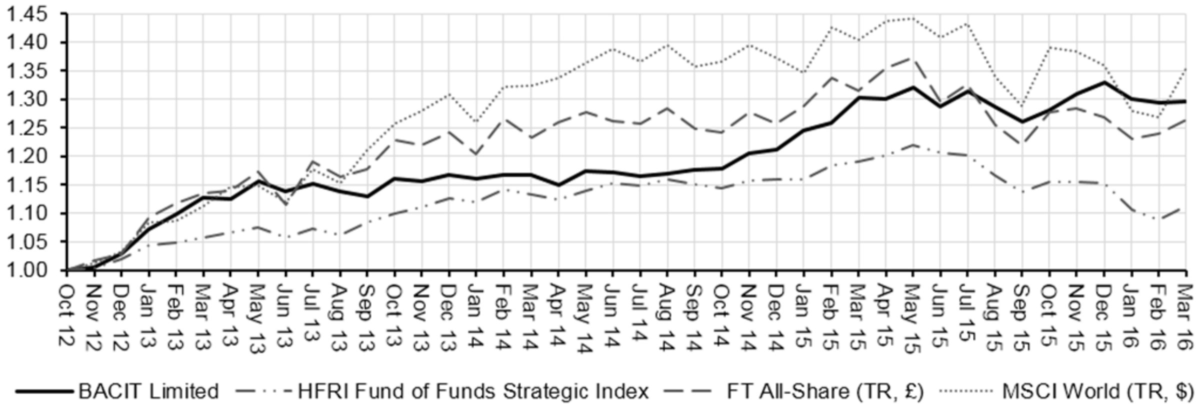
Since our year end markets have remained unsettled, not least by the UK referendum on exit from the European Union. We remain optimistic for the performance for our portfolio and grateful to our managers for giving us fee-free access to their funds.

Jeremy Tigue
Chairman
4 July 2016

REPORT OF BACIT (UK) LIMITED

	12m	ITD*
BACIT Total NAV Return	-0.2%	29.5%
BACIT Share Price	+8.5%	31.5%
MSCI World TR ($)	-3.5%	35.5%
FT All Share TR (£)	-3.9%	26.3%
Fund of Funds Index ($)	-7.2%	10.5%

** ITD=Inception to date*



Sources for all charts: Bloomberg, Backstop

BACIT started the financial year with 95.2% of NAV invested and ended it 97.4% invested across 33 underlying funds and 24 managers. On average the portfolio was 95.9% invested during the year. The 33 funds include an investment in the Pioneer Fund, an oncology-related investment, as part of a £20 million commitment to funding that entity. This is held through BACIT Discovery and referred to as such in the annual report.

BACIT broadly contained capital losses well during a period which saw considerable volatility in markets, leaving some major indices far short of where they started. Against a backdrop in which the Eurostoxx 600 index ended down 15.0% and the CRB total return Commodity Index fell 19.4%, seventeen of the thirty-three funds made money. BACIT has thus delivered annualised returns of 7.9% since inception versus its targeted return of 10% to 15% *(BACIT Limited prospectus dated 1 October 2012).*

As we describe in greater detail below, the Pioneer Fund has made excellent progress with its first drugs approaching Phase 1 clinical trials.

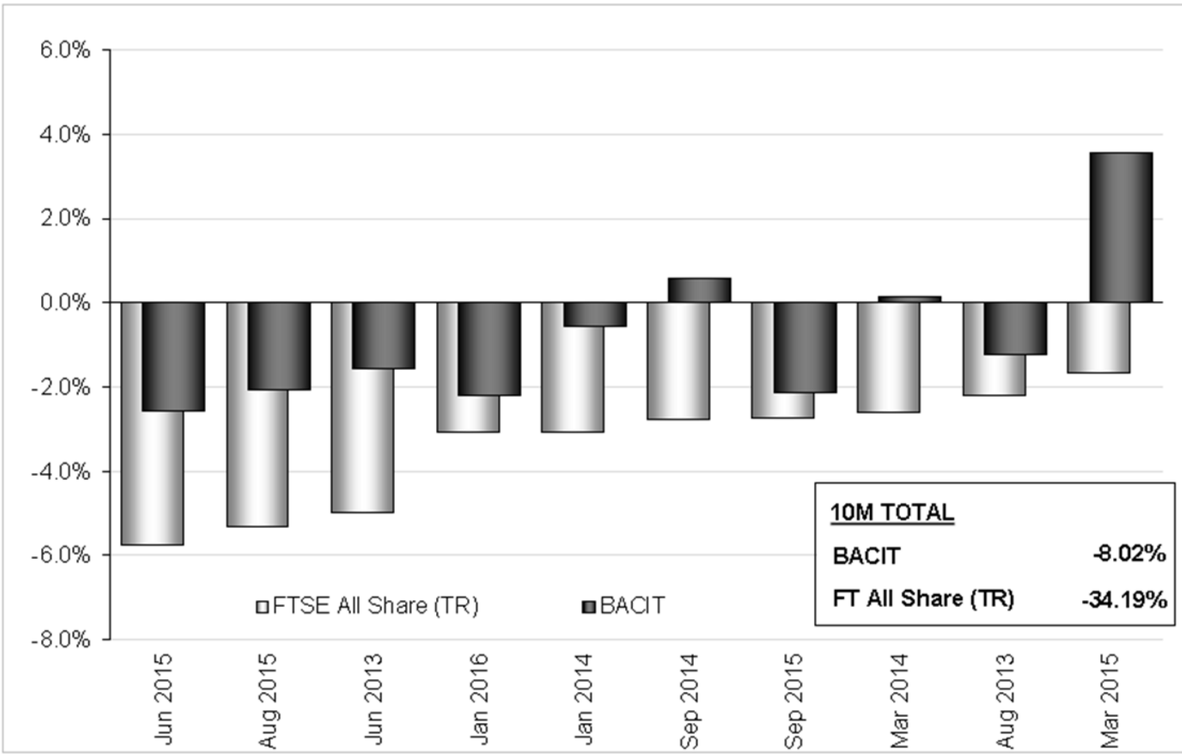
In pursuit of growth, with stability in down markets

As long-standing investors are aware, BACIT's asset allocation is driven by the opportunities which present themselves, rather than a pre-determined set of weightings or any economic or financial market metrics. The portfolio continues to have exposure to areas as diverse as long-short commodities, interest rates, foreign exchange, private equity, and infrastructure investing. Each of these has its own idiosyncratic drivers which should allow it to perform on a trajectory uncorrelated to equity markets, as the results for this year show.

REPORT OF BACIT (UK) LIMITED (continued)

The proportion of NAV allocated to managers running hedged strategies was stable at 60.6%, from 61.4% twelve months earlier, while within the long biased managers the proportion allocated to unlisted assets more than doubled during the year (from 3.0% to 7.7%). As the quantum of uncalled capital on private equity investments (£43 million, compared with £46 million at 31 March 2015) suggests, this proportion of NAV may increase. As a consequence of these holdings in particular, during the ten worst months for the FTSE All Share Total Return Index since BACIT's inception, BACIT has shown a relative outperformance of 26.2% against that index's cumulative loss of 34.2% during these months. The chart below illustrates this, and the fact that four of those months fell during the period under review.

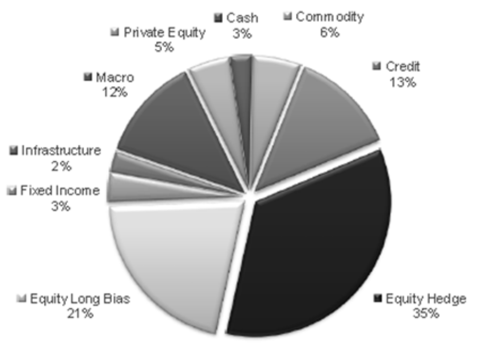
Performance vs 10 worst FTSE All Share (TR) months



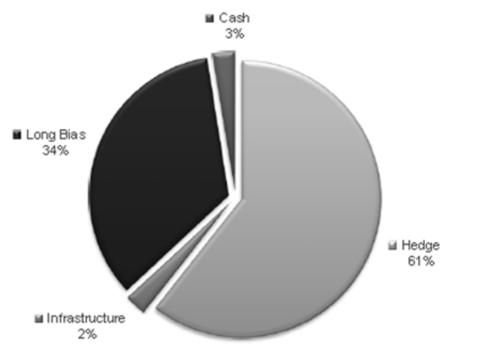
REPORT OF BACIT (UK) LIMITED (continued)

As the pie chart on the bottom left illustrates, at 31 March 2016 50.6% of NAV (31 March 2015: 52.3%) was invested into US Dollar share classes, 25.8% of NAV being hedged back into Sterling (31 March 2015: 0.0%), and 14.1% was invested into Euro denominated share classes which is entirely hedged back into Sterling. 0.8% of the portfolio was invested in an unhedged Swedish Krona share class. All other currency exposures, including Yen, are held through hedged US Dollar or Sterling classes.

ASSET ALLOCATION (% OF NAV)

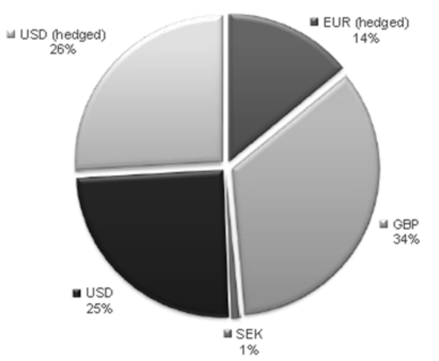


FUND STRATEGY ALLOCATION (% OF NAV)

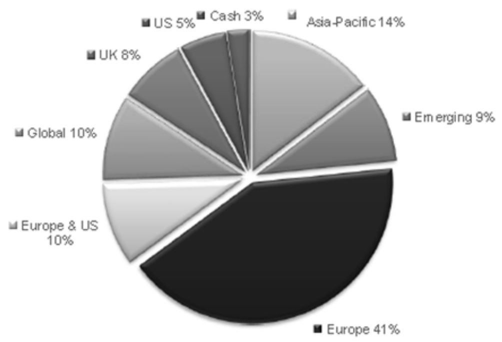


DENOMINATION OF INVESTMENTS (% OF NAV)

US$ Partially Hedged into GBP, € Hedged into GBP, SEK Unhedged



STRATEGY GEOGRAPHICAL FOCUS (% OF NAV)



REPORT OF BACIT (UK) LIMITED (continued)

BACIT is inherently exposed to currencies within the investee funds' portfolios. In addition, BACIT has been long the US Dollar since launch as BACIT did not hedge out US Dollar exposure acquired by investing in US Dollar denominated share classes. As long-standing investors will also remember, the typically inverse relationship of the US Dollar to risk assets in times of market stress was expected to have the secondary effect of dampening the volatility of BACIT's NAV.

By late February, the decision was taken to protect returns from a violent swing back to BACIT's entry point (~$1.60), which would have negatively impacted BACIT's returns and the volatility of those returns, and to lock in some of the gains for BACIT. We therefore hedged half of the US Dollar exposure at $1.394.

Significant, if capped, exposure to Equity Markets
In order to estimate BACIT's exposure to equity markets we aggregate the underlying funds' positions and convert them into units which we term 'equity equivalents'. On a look-through basis BACIT ended the year approximately 48% net long in equity equivalents, in the middle of the 37-57% range since inception. The portfolio remains predominantly invested into funds whose focus is listed equities: 55.7% vs 53.9% twelve months ago. We wrote then of the growing recognition that a negative side-effect of the regulations introduced since the Crisis has been to drain liquidity from the fixed income markets. We are now hearing the same refrain from our equity managers.

We have made some redemptions in part to meet capital calls but, as anticipated, manager turnover remains low and BACIT continues to hold 16 of the 22 funds it invested in at inception. The portfolio's fixed income and credit exposure remains modest. During the financial year we switched one holding to a second mandate run by the same commodity manager, and added four new funds to the portfolio: a UK focussed fund with 40% exposure to unlisted, early-stage, growth companies; a long-short Emerging Markets fund; a European long-short equity manager and a venture capital fund, meeting one capital call from the latter.

BACIT met two capital calls from Infracapital II during the course of the year and ended the year with 37.0% of BACIT's £25 million commitment drawn and the fund 70% committed. Infracapital II now owns five assets across water, metering, and energy across Northern Europe, and expects to diversify into communications and transport with the balance of the fund. BACIT also met four capital calls during the year from Permira V, which had drawn 66.3% of BACIT's €20 million capital commitment at 31 March 2016, now holding 15 investments, and the fund is 72% committed.

As we have advised in previous Management Reports, given BACIT's ability to raise cash at relatively short notice from its existing holdings, BACIT does not match cash liquidity to outstanding commitments regarding private equity investments. At the year end this was the case for the Partnership, with £43.0 million of undrawn commitments and £12.4 million of cash at bank.

REPORT OF BACIT (UK) LIMITED (continued)

As the Chairman has noted BACIT has committed £20 million to the Pioneer Fund, which has now in turn invested £17 million of the total £70 million fund into seven investments. The Pioneer Fund is in late stage due diligence on two additional drug candidates, thus well on the way to its target portfolio of fifteen investments over the life of the fund. The manager has contributed a brief commentary which is printed below.

This year the ground work put in since the CRT Pioneer Fund ("Pioneer Fund") was raised in March 2012 has started to bear real fruit with scientific progress being made across the pipeline. At the year end the portfolio of investments had grown to seven, with two more approved for investment. Strong deal flow exists and a number of other prospective investments have been identified and are being actively pursued for the coming year. All of these projects represent exciting approaches to develop new cancer therapies and emanate from world class academic institutions.

The Pioneer Fund's first two investments (CHK1 – clinical trial initiation and MPS1 – preclinical candidate nomination) each moved through significant scientific and value creation milestones, whilst a third is due to enter a Phase II clinical trial in the next quarter. In aggregate, this positive technical progress has led to a significant write up in the fair value of the pipeline at the year end.

Dr Robert James, Sixth Element Capital, manager of the CRT Pioneer Fund

A description of the portfolio by category follows.

Consolidated Portfolio Statement: Category Descriptions

Equity Funds (20.9% from 22.1% at 31 March 2015)
Japanese and UK equities account for the bulk of these investments, and the Japanese investments are held in hedged sterling- and US Dollar-denominated share classes. The balance is invested in Russian equities, hedged into US Dollars. Global equity markets were challenged during the year, with the UK market down mid-single digits and the Japanese market down double digits. The Russian market fared better on the back of a recovering oil price and closed just up. Both Russian funds and one Japanese fund significantly outperformed their benchmarks with the other funds broadly in line with theirs.

Equity Hedge Funds (34.8% from 31.8%)
The managers in this allocation are geographically focussed – predominantly on the UK and Continental Europe, South and sub-Saharan Africa, and the US – and sector-biased, on mining. The Eurostoxx 600 fell 15% during the period, while gold miners saw a strong recovery, and African stocks ended flat after considerable volatility. Both merger arbitrage managers made strong returns, and as a group the managers protected capital, notwithstanding the difficult emerging markets environment.

Commodity Funds (5.7% from 4.5%)
Through this allocation BACIT is exposed to globally-traded agricultural commodities; emissions; European, Australasian and North American electricity prices; oil, natural gas, and coal. The volatility of commodity asset prices means that these funds' risk management is critical. Trades are principally expressed through futures and other derivatives to create asymmetric risk-reward profiles. The managers' performances to date have been uncorrelated with one another and with commodity and equity markets, and they contributed meaningfully to NAV during the financial year.

REPORT OF BACIT (UK) LIMITED (continued)

Fixed Income and Credit Funds (16.1% from 16.6%)
There are seven funds in this category: an inflation-linked investment (3.4% of NAV); two of the holdings (5.0%) invest in the US and Europe through securitised mortgages. Notwithstanding the fact that these are backed by real cashflows, this was a difficult market environment and they lost money during the period. Two of the funds (5.5%) employ credit arbitrage and unlike the other funds in this category, leverage in doing so, achieving mixed results. Two funds mainly invested in private credit opportunities (2.2%), which should be uncorrelated to the wider credit markets if the fundamental credit analysis is sound. This proved to be the case during the period, when spreads widened significantly but these funds made helpful returns. They will continue to return capital to investors over the next two years.

Global Macro Funds (12.4% from 16.8%)
The three funds in this category pursue global macro strategies which are differentiated from each other in terms of geographic focus and instruments engaged. BACIT invests in this area to exploit the likely market volatility as Quantitative Easing matures in the Developed Markets and Central Banks look to exit. Two of the funds contributed helpfully to NAV, and as a group they held their own.

Other Strategies (7.7% from 3.0%)
This group includes the Pioneer Fund holding and three funds which make private investments into unlisted entities, and which are thus less likely to be market sensitive in terms of pricing. Of these, Infracapital is already starting to show significant gains from its investments.

Since the Financial Year End

Since BACIT'S financial year end on 31 March, market participants have increasingly accepted that low rates are deflationary, with the market grasping at the oil price as an indicator of inflation, future rates and growth. The markets' gyrations around the UK referendum underline just how interconnected asset prices remain and at the date of this report it is too early to assess the impact on the portfolio. Monetary policy continues to drive markets, but the transmission mechanism connecting the real world economy appears to be broken, so that now the words of a Central Banker carry more weight than a jobs report. The risk of Central Banks losing credibility is one our macro managers, particularly, are addressing.

We have added one fund to the portfolio since the financial year end, Chenavari Deleveraging Opportunities, which invests in private credit transactions in Europe.

Following the year end, three significant announcements were made regarding the Pioneer Fund, held through BACIT Discovery, which have contributed to the uplift in valuation of that holding. The drug known as CHK1 entered Phase 1 clinical trials. Tefinostat is also now ready to enter Phase 2 clinical trials.

REPORT OF BACIT (UK) LIMITED (continued)

As the Chairman has described, donations totalling £4.75 million will become available to the charities on BACIT's roster. Half of this sum will go directly to The Institute of Cancer Research ("the ICR") and the destination of the remainder will be for holders of shares at the dividend record date to determine across the existing roster of 18 charities, which was expanded during the year to include Cure Leukaemia and Supporting Wounded Veterans. Any unallocated monies will be split equally between the selected charities.

Thanks

BACIT held its own against the challenging backdrop of its third full financial year, for which we are, as ever, thankful to the managers without whose generosity and kindness BACIT would not exist. We continue to welcome the approach of managers with a track record of delivering attractive returns.

Finally, thanks are due to the investors for the support they have given BACIT to date, and the trust they have placed in us to meet the dual ambitions of delivering absolute returns, and an annuity-like income stream which may play a growing role in defeating cancer. We look forward to updating this report later in the year.

BACIT (UK) Limited
4 July 2016

DIRECTORS' REPORT

The Directors present their Annual Report and Audited Consolidated Financial Statements for the year ended 31 March 2016 which have been properly prepared in accordance with The Companies (Guernsey) Law, 2008.

The Directors of the Group, all of whom are non-executive, are listed below:

Jeremy Tigue (Chairman), aged 56, has more than 30 years' investment experience. He joined F&C Management in 1981 and was the fund manager of Foreign & Colonial Investment Trust Plc from 1997 to 2014. He was a Director of the Association of Investment Companies from 2003 to 2013 and was Chairman of the Institutional Shareholder Committee from 2006 to 2008. He is a Director of ICG Enterprise Trust PLC and The Mercantile Investment Trust plc, The Monks Investment Trust PLC and Standard Life Equity Income Trust PLC. Mr Tigue is a resident of the UK.

Arabella Cecil, aged 48, started working in financial services in 1987, for Finbancaria (corporate finance, Milan), and later Banque Hottinguer (Paris), and Credit Lyonnais Laing (London) where she was head of food manufacturing research. Between 1998 and 2008 she owned and ran Gravity Pictures, which specialised in filmmaking in the IMAX® format. Most recently she was an investment manager and a member of the investment and risk committees of Culross Global Management. She is also the CIO of the Investment Manager and a Trustee of The BACIT Foundation. Ms Cecil is a resident of Sweden.

Peter Hames, aged 54, is a non-executive director of Polar Capital Technology Trust PLC and MMIP Investment Management Limited. He is an independent member of The Operating Committee of Genesis Asset Managers LLP as well as serving on a number of Genesis fund boards. Mr Hames started his investment career working for The Iveagh Trustees Limited, a family office which handled the financial affairs of various members of the Guinness family. In 1990 he joined Aberdeen Asset Management PLC and, in 1992, he relocated to Singapore where he co-founded Aberdeen Asset Management Asia Limited. As Director of Asian Equities he oversaw regional fund management teams responsible for running a number of top-rated and award winning funds. He also played an important role in the development of Aberdeen's Global Emerging Market products. He left Aberdeen in 2010. Mr Hames is a resident of Guernsey.

Thomas Henderson, aged 50, has over 25 years' experience working in the financial markets, investing in the UK, Continental Europe, Russia and the United States. He is the founder and investment manager of New Generation Haldane Fund Management Limited (previously Eden Capital). Previously, Mr Henderson was a portfolio manager for Moore Capital and prior to that worked with Cazenove & Co. in London and New York. He is also a Director of the Investment Manager and Trustee of The BACIT Foundation. Mr Henderson is a resident of the UK.

Colin Maltby, aged 65, is a Director of Abingworth BioEquities Fund Limited, Ocean Wilsons Holdings Limited and BH Macro Limited and a member of the Supervisory Board of BBGI SICAV SA. He was Head of Investments at BP from August 2000 to June 2007 and was previously Chief Investment Officer of Equitas Limited from its formation in 1996. His career in investment management began in 1975 with NM Rothschild & Sons and included 15 years with the Kleinwort Benson Group, of which he was a Group Chief Executive at the time of its acquisition by Dresdner Bank AG in 1995. He was Chief Executive of Kleinwort Benson Investment Management from 1988 to 1995. Mr Maltby is a Fellow of Wolfson College, Oxford, a Fellow of the Royal Society of Arts, and a member of the Institut National Genevois. Mr Maltby has served as a non-executive Director of various public companies and agencies, and as an advisor to numerous institutional investors, including pension funds and insurance companies, and to private equity and venture capital funds in both Europe and the United States. He is currently an Investment Advisor to Wolfson College, Oxford. Mr Maltby is a resident of Switzerland.

DIRECTORS' REPORT (continued)

Nicholas Moss, aged 56, is a founding member and executive director of the Virtus Trust Group, a Guernsey and US based international fiduciary, corporate services and investment consulting business. He has extensive experience in the structuring and administering of complex onshore and offshore structures for corporates and ultra-high net worth families as well as being specifically involved in the selection of investment managers and funds for his clients and their subsequent evaluation and ongoing monitoring. Previously he spent 16 years at Rothschild where latterly he was a managing director within that group's trust division. He holds a number of non-executive Board appointments including the London-listed BH Global Limited and Carador Income Fund PLC. He is a Fellow of the Institute of Chartered Accountants in England and Wales and a resident of Guernsey.

The following summarises the Directors' directorships in other public companies:

Company Name	Stock Exchange
Jeremy Tigue	
ICG Enterprise Trust PLC	London
The Mercantile Investment Trust Plc	London
The Monks Investment Trust PLC	London
Standard Life Equity Income Trust PLC	London
Arabella Cecil	
None	
Peter Hames	
Genesis Emerging Markets Investment Company SICAV	Luxembourg
Genesis Smaller Companies SICAV	Luxembourg
Polar Capital Technology Trust PLC	London
The Smaller Companies Portfolio of the Genesis Emerging Markets Opportunities Fund Limited	Ireland
Thomas Henderson	
None	
Colin Maltby	
BBGI SICAV SA	London
BH Macro Limited	London, Bermuda and Dubai
Ocean Wilsons Holdings Limited	London and Bermuda
Nicholas Moss	
BH Global Limited	London, Bermuda and Dubai
Carador Income Fund PLC	London

This does not include Channel Island Securities Exchange listed companies.

DIRECTORS' REPORT (continued)

Principal Activity
The Company makes its investments through BACIT Investments LP Incorporated (the "Partnership"), in which the Company is the sole limited partner. The general partner of the Partnership is BACIT GP Limited (the "General Partner"), a wholly-owned subsidiary of the Company. It also invests in BACIT Discovery Limited (incorporated 8 November 2013) a wholly-owned subsidiary of the Partnership. BACIT Limited and BACIT GP Limited are collectively referred to as the "Group".

Share Buyback Facility
The Company has the authority, subject to various terms as set out in its Articles and in accordance with The Companies (Guernsey) Law, 2008, to acquire up to 14.99% of the Shares in issue. The Company intends to renew this authority annually. The Directors have no current intention to utilise this authority.

Investment Objective and Policy
The Group's investment objective is to deliver superior returns from investments in leading long-only and alternative investment funds across multiple asset classes and targets an annualised return per Share in the range of 10% to 15% per annum on the issue price of the Shares. Investments, except in CRT Pioneer Fund LP (the "Pioneer Fund"), will only be made in cases where the relevant investment manager provides investment capacity on a ''gross return'' basis, meaning that the Group does not bear the impact of management or performance fees on the relevant investment. This is achieved by the relevant manager or fund agreeing with the Group not to charge management or performance fees, by rebating or donating back to the Group any management or performance fees charged or otherwise arranging for the Group to be compensated so as effectively to increase its investment return on the relevant investment by the amount of any such fees.

The Group intends to achieve the investment objective primarily through investments in long-only funds, hedge funds, private equity funds and real estate funds. The Group is permitted to borrow and invest in long and short positions in quoted and unquoted equities, fixed income securities, options, warrants, futures, commodities, currency forwards, over the counter derivative instruments (such as swaps), securities that lack active public markets, private securities, repurchase agreements, preferred stocks, convertible bonds and other financial instruments or real estate as well as cash and cash equivalents. The Group may invest on a global basis.

The Group makes a Charitable Donation, in arrears, of one-twelfth of 1% of the total NAV of the Company as at each month-end during the year to charities. Half is donated to The Institute of Cancer Research ("the ICR") and half donated to The BACIT Foundation for onward distribution among other charities in proportions which are determined each year by the Shareholders. Please refer to note 7 for further details.

In addition to the Charitable Donation, the Group intends to invest up to 1% of NAV each year to acquire interests in drug development and medical innovation projects undertaken by the ICR or its subsidiaries which have the potential for ICR Projects. To the extent that less than 1% of NAV is allocated to ICR Projects in any given year, the amount available for investment in such projects as and when appropriate opportunities become available in subsequent years may be increased by such a proportion.

DIRECTORS' REPORT (continued)

Investment Objective and Policy (continued)

The Group has entered into a framework agreement with the ICR effective 1 October 2012, not to knowingly make any investment (directly or indirectly) which contravenes the tobacco restriction contained in the investment policy of the ICR and not to promote any relationship with any other cancer charity other than the ICR, except to the extent relevant to The BACIT Foundation.

Following an Extraordinary General Meeting held on 15 December 2014, shareholders approved a change in investment policy to include the following:

The Group has invested in the Pioneer Fund as if it were an ICR Project, save that the Group can make up to a maximum capital commitment of £20 million, notwithstanding that the Group is required to bear management and performance fees, in the form of a general partner's share and carried interest, in respect of its investment.

The amount that the Group may contribute to drawdowns of the Pioneer Fund in any one calendar year will not be subject to the one per cent. of NAV cap otherwise applicable to investments in ICR Projects.

Full details were set out in the Circular dated 25 November 2014 which is available on the Company's website.

Principal Risks and Uncertainties

The Board is responsible for the Company's system of internal controls and for reviewing its effectiveness. The Board is satisfied that by using the Company's risk matrix in establishing the Company's system of internal controls while monitoring the Company's investment objective and policy that the Board has carried out a robust assessment of the principal risks and uncertainties facing the Company. The principal risks and uncertainties which have been identified and the steps which are taken by the Board to mitigate them are as follows:

- Investment Risks: The Group is exposed to the risk that its portfolio fails to perform in line with the Group's objectives if it is inappropriately invested or markets move adversely. The Board reviews reports from the Investment Manager at each quarterly Board meeting, paying particular attention to the constitution of the portfolio and to the performance and volatility of underlying investments;

- Operational Risks: The Group is exposed to the risks arising from any failure of systems and controls in the operations of the Investment Manager or its service providers. The Board receives reports quarterly from the Administrator and Investment Manager on their internal controls and is able to challenge valuations provided by both these parties;

- Legal and Regulatory Risks: The Group is exposed to risk if it fails to comply with the regulations of the UK Listing Authority or if it fails to maintain accurate accounting records. The Administrator provides the Board with regular reports on changes in regulations; and

DIRECTORS' REPORT (continued)

Principal Risks and Uncertainties (continued)

- Financial Risks: The financial risks, including market, credit and liquidity risk, faced by the Group, where appropriate, are set out in note 18 on pages 64 to 70. These risks and the controls in place to mitigate them are reviewed at each quarterly Board meeting. The risks in this note do not solely reflect the risks of the underlying investment portfolios of the financial assets at fair value through profit or loss ("investment entities") in the Group's Consolidated Statement of Financial Position. The Group has very significant indirect exposure to a number of risks through the underlying portfolios of the investment entities however this is the intention of the Group in order to seek to achieve capital gains. There is no sensible mechanism to "control" these risks without considerably prejudicing return objectives. Due to the lack of transparency in many of the underlying assets it is not possible to quantify or hedge the impact of these risks on the portfolio as each investment entity may have complex and changing risk dynamics that are not easily observable or predictable. These risks will include extensive interest, foreign exchange and other market risks which are magnified by significant gearing in many cases, resulting in increased liquidity and return risk.

The Board seeks to mitigate and manage these risks through continual review, policy-setting and enforcement of contractual obligations and will update the risk assessment matrix to reflect any changes to the control environment.

Viability Statement

In accordance with provision C2.2 of the UK Corporate Governance Code, the directors have assessed the prospects of the Company, considering its ability to continue in operation and meet its liabilities as they fall due over the period to 31 March 2019.

In considering the three year period selected, the Directors have considered the strategy period of the Company, the uncertainty of the investment world, the environment in which the Company operates, its liabilities, the performance of the underlying investments and the risks associated with the Company.

The Company is required to put a discontinuation vote to shareholders every five years, the first one occurring in 2017. In current circumstances the Directors do not expect that this vote will be carried, and therefore they have considered the ability of the Company to continue in operation past this period.

In considering the viability of the Company over the three year period, the Directors have assessed the principal risks and the procedures adopted to mitigate those risks. These are more fully described above.

The Company's investment performance depends upon the performance of the underlying funds, as selected and monitored by BACIT (UK) Limited (the "Investment Manager"). The Directors, in assessing the viability of the Company, paid particular attention to the risks facing the Investment Manager. The Investment Manager operates a risk management framework which is intended to identify, measure, monitor, report and where appropriate, mitigate key risks identified by it in respect of the Company's investments.

DIRECTORS' REPORT (continued)

Viability Statement (continued)

The Company's assets exceed its liabilities by a considerable margin where total assets and total liabilities amounted to £477,130,000 and £4,885,000, respectively. Further, the majority of the Company's most significant liabilities, being the charitable donation, fees owing to the Investment Manager and to the Company's administrator, fluctuate by reference to the Company's investment performance and NAV.

The continuation of the Company in its present form is dependent on the Investment Management Agreement with the Investment Manager remaining in place. The Directors note that the Investment Management Agreement with the Investment Manager is terminable on 180 days' notice by either party. The Directors know of no current reason why either the Company or the Investment Manager might serve notice of termination of the Investment Management Agreement during the three year period covered by this viability statement. To ensure that the Company maintains a constructive and informed relationship with the Investment Manager, the Directors meet regularly with the Investment Manager to review the investment portfolio's performance and, through the quarterly board meetings, they review the nature of the Company's relationship with the Investment Manager.

Going Concern

The Company has been established with an indefinite life. However, the Company's Articles provide that Shareholders will be entitled to vote on the discontinuation of the Company every five years, starting with the Annual General Meeting in 2017. The vote will require more than 50% of the votes cast on the resolution to be in favour to require the Directors to formulate proposals, to be put to Shareholders within six months of such resolution being passed, for the reorganisation or reconstruction of the Company. These proposals may or may not involve winding up the Company or liquidating all or part of the Company's then existing portfolio and there can be no assurance that a discontinuation vote will necessarily result in the winding up of the Company or liquidation of all or some of its investments. A special resolution of the Shareholders with 75% or more of the votes cast being in favour of the resolution is required to wind up the Company.

The Group's assets currently consist mainly of securities amounting to £460,418,000 (31 March 2015: £456,267,000) of which 32.0% are readily realisable in three months and the Group has limited liabilities, amounting to £4,885,000 (31 March 2015: £4,548,000). Accordingly, the Group has adequate financial resources to continue in operational existence for 12 months following the approval of the financial statements. Hence the Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the Consolidated Financial Statements.

Results and dividends

The results for the year are set out in the Consolidated Statement of Comprehensive Income on page 42. During the year ended 31 March 2016, the Company declared a dividend of £8,040,000 (31 March 2015: £7,620,000) relating to the year ended 31 March 2015 (31 March 2014). The dividend was comprised of £5,819,000 (31 March 2015: £5,464,000) cash and a scrip dividend of £2,221,000 (31 March 2015: £2,156,000). Refer to note 3 of the Consolidated Financial Statements for further details.

DIRECTORS' REPORT (continued)

Investment Manager

The investment portfolio is managed by BACIT (UK) Limited (the "Investment Manager"), which is regulated by the Financial Conduct Authority.

Following the Extraordinary General Meeting held on 11 December 2015, Shareholders approved a change in expense arrangements of the Group and with effect from 1 January 2016, the amended Expenses Deed Agreement (the "Deed") entered into between the Company, the General Partner and Farla Limited, a company controlled by Thomas Henderson, was terminated.

Prior to 1 January 2016, Farla Limited provided office space and equipment for, and either paid directly or reimbursed the Group in respect of out-of-pocket expenses of, the team managing the investment portfolio.

With effect from 1 January 2016, the operating expenses of the Investment Manager, including those previously covered by the Deed, are covered by the Management Expense Contribution, payable by the Company to the Investment Manager equal to 0.19% of NAV per annum, payable in monthly instalments by reference to the most recent month-end NAV. The Group also directly bear certain other expenses of the Investment Manager up to an amount equal to two per cent. of the NAV of the prior year end. The effect of these new arrangements on Ongoing Charges will be higher in future financial years because the arrangements have only been in operation for three months of the year ended 31 March 2016.

Full details were set out in the Circular dated 24 November 2015 which is available on the Company's website.

Corporate Governance

To comply with the UK Listing Regime, the Company must comply with the requirements of the UK Corporate Governance Code (September 2014) (the "UK Code") issued by the Financial Reporting Council or explain any departures therefrom. The Company is also required to comply with the Code of Corporate Governance issued by the Guernsey Financial Services Commission (the "GFSC Code").

The Board considers that reporting against the principles and recommendations of the UK Code provides appropriate information to Shareholders. Companies reporting against the UK Code are deemed to comply with the GFSC Code.

The Company has complied with the relevant provisions of the UK Code, except for the following:

The UK Corporate Governance Code includes provisions relating to:

- the role of the chief executive;
- executive directors' remuneration;
- the need for an internal audit function;
- whistle-blowing policy; and
- Remuneration Committee.

For the reasons set out in the UK Code, the Board considers these provisions are not relevant to the position of the Company as being an externally managed investment company. The Company has therefore not reported further in respect of these provisions. The Directors are all non-executive and the Company does not have employees, hence no whistle-blowing policy is required.

DIRECTORS' REPORT (continued)

Corporate Governance (continued)
The key service providers all have whistle-blowing policies in place. The Board is satisfied that any issues can be properly considered by the Board.

Due to the Company's premium listing on the LSE, the Company is required to disclose its Environmental Policy. Being an investment company, the Company has no direct social, environmental or human rights responsibilities; its policy is focussed on ensuring its portfolio is properly managed and invested.

The Company seeks to express its social concerns principally through its charitable donations and its support to cancer research.

Details of compliance are noted in the succeeding pages. There have been no other instances of non-compliance.

Composition and Independence of the Board
The Board currently consists of six non-executive Directors, four of whom are independent. Under the UK Code, Mr Henderson is not considered to be independent by reason of his significant shareholding and his role within the Investment Manager. Ms Cecil is also not considered to be independent by reason of her role within the Investment Manager.

On 9 September 2015, Jonathan Moulton resigned as a director and after due consideration by the Board Arabella Cecil was appointed on that date. Nicholas Moss became Chairman of the Audit Committee with effect from 9 September 2015.

On 18 March 2016, Martin Thomas resigned as a director.

The Chairman of the Board is Mr Jeremy Tigue. Biographies for all the Directors can be found on pages 11 and 12. In considering the independence of the Chairman, the Board has taken note of the provisions of the UK Code relating to independence and has determined that Mr Tigue is an Independent Director. Mr Colin Maltby has been appointed as Senior Independent Director.

The Board is responsible for the appointment and monitoring of all service providers to the Group.

The Board holds quarterly Board meetings while the Audit Committee and Nomination Committee meet at least three times a year and once a year, respectively. In addition, there are a number of ad-hoc meetings of the Board to review specific items between the regular scheduled quarterly meetings.

DIRECTORS' REPORT (continued)

Composition and Independence of the Board (continued)

Attendance at the Board, Audit and Nomination Committee meetings during the year was as follows:

	Scheduled Quarterly Board Meetings	Audit Committee Meetings	Nomination Committee Meetings
Number of Meetings Held	**4**	**3**	**2**
Jeremy Tigue (Chairman)	4	1**	2
Arabella Cecil*	3*	1**	Not a member
Peter Hames	4	1***	2
Thomas Henderson	4	1**	2
Colin Maltby	4	3	2
Nicholas Moss	4	3	Not a member
Jonathan Moulton****	2	1	Not a member
Martin Thomas****	4	3**	Not a member

** Appointed to the Board on 9 September 2015*
*** In attendance*
**** Appointed to the Audit Committee on 23 November 2015*
***** Jonathan Moulton resigned on 9 September 2015 and Martin Thomas resigned on 18 March 2016*

At the Board meetings the Directors review the management of the Group's assets and all other significant matters so as to ensure that the Directors maintain overall control and supervision of the Group's affairs.

At each annual general meeting of the Company, all the Directors at the date of the notice convening the annual general meeting shall retire from office and each Director may offer himself for election or re-election by the Shareholders. In accordance with the Articles, no person shall be or become incapable of being appointed a Director, and no Director shall be required to vacate that office, by reason only of the fact that such Director has attained the age of 70 years or any other age.

The Board, Audit Committee and Nomination Committee undertake an evaluation of their own performance and that of individual Directors on an annual basis. This includes a formal process of self-appraisal together with the Chairman reviewing each member's performance, contribution and commitment to the Group. The Group's Nomination Committee has considered the Davies Report and its implications to the Group. The Chairman also has responsibility for assessing the individual Board members' training requirements.

The Board needs to ensure that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's performance, business model and strategy. In achieving this, the Directors have set out the Company's investment objective and policy and have explained how the Board and its delegated Committees operate and how the Directors review the risk environment within which the Company operates and set appropriate risk controls. Furthermore, throughout the Annual Report the Board has sought to provide further information to enable Shareholders to have a fair, balanced and understandable view.

DIRECTORS' REPORT (continued)

Composition and Independence of the Board (continued)

Directors' and Other Interests
As at 31 March 2016, Directors of the Company held the following Ordinary Shares beneficially:

	Number of shares 31.03.16	Number of shares 31.03.15
Jeremy Tigue (Chairman)	348,871	343,039
Arabella Cecil*	387,282	380,801
Peter Hames	69,773	68,607
Thomas Henderson**	11,742,400	16,742,000
Colin Maltby	69,773	68,607
Nicholas Moss	15,000	nil

*108,187 Shares are held by Gravity Partners Limited, a company controlled by Arabella Cecil.
**Shares are held by Farla Limited, a company controlled by Thomas Henderson.

Committees of the Board

Audit Committee
The Group's Audit Committee conducts formal meetings at least three times a year. Full details of its structure, duties and assessments during the year are presented in the Report of the Audit Committee on pages 28 to 32.

Nomination Committee
The Company has established a Nomination Committee with the primary purpose of filling vacancies on the Board. The Nomination Committee reviews the Board structure, size and composition, to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time, including the suspension or termination of service of that Director, and to make a statement in the annual report about its activities. The Nomination Committee chairman reports formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and reviews its own performance at least once a year, reviews composition and terms of reference and recommends any changes it considers necessary to the Board for approval. The Nomination Committee meets at least once a year and otherwise as required. The Nomination Committee is appointed by the Board and is made up of at least three members. The Nomination Committee is chaired by Colin Maltby and its members are Peter Hames, Thomas Henderson and Jeremy Tigue.

Management Committee
The Board has not deemed it necessary to appoint a management committee as a result of being comprised wholly of non-executive Directors. The Board is responsible for the review of the performance of the Investment Manager in relation to the performance of the investment portfolio.

DIRECTORS' REPORT (continued)

Committees of the Board (continued)

Remuneration Committee

As all the Directors are non-executive, the Board has resolved that it is not appropriate to form a remuneration committee. Directors' remuneration is considered on an annual basis. The Board's collective fees shall not exceed £500,000 in any financial year. The Board may grant reasonable additional remuneration to any Director who performs any special or extra services to, or at the request of, the Group. Further, the Directors shall be paid all reasonable travelling, hotel and other expenses properly incurred by them in and about the performance of their duties. Directors' and Officers' liability insurance cover is maintained by the Group on behalf of the Directors. Refer to the Directors' Remuneration Report on page 27 for details of fees paid to the Directors during the year.

Internal Controls

The Board is ultimately responsible for establishing and maintaining the Company's system of internal control and for maintaining and reviewing its effectiveness. To achieve this, a process has been established which seeks to:

- Review the risks faced by the Company and the controls in place to address those risks;
- Identify and report changes in the risk environment;
- Identify and report changes in the operational controls;
- Identify and report on the effectiveness of controls and errors arising; and
- Ensure no override of controls by its service providers, the Investment Manager or the Administrator.

The Company's risk matrix continues to be used as the basis for analysing the Company's system of internal control. The risk matrix is prepared and maintained by the Audit Committee which initially identifies the risks facing the Company and then collectively assesses the likelihood of each risk, the impact of those risks and the strength of the controls operating over each risk. The Company's system of internal control is designed to manage rather than to eliminate the risk of failure to achieve business objectives and by its nature can only provide reasonable and not absolute assurance against misstatement and loss.

DIRECTORS’ REPORT (continued)

Internal Controls (continued)

These controls aim to ensure that assets of the Company are safeguarded, proper accounting records are maintained and the financial information for publication is reliable. The Board confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company.

The UK Code requires the Board to conduct at least annually a review of the Company’s system of internal control, covering all controls, including financial, operational, compliance and risk management. The Board has evaluated the systems of internal controls of the Company. In particular, it has prepared a process for identifying and evaluating the significant risks affecting the Company and the policies by which these risks are managed.

The Board has delegated the management of the Company, the administration, corporate secretarial and registrar functions including the independent calculation of the Company’s NAV and the production of the Annual Report and Financial Statements, which are independently audited. Whilst the Board delegates these functions, it remains responsible for the functions it delegates and for the systems of internal control. Formal contractual agreements have been put in place between the Company and providers of these services. On an ongoing basis Board reports are provided at each quarterly Board meeting from the Investment Manager, Administrator and Company Secretary and Registrar.

In common with most investment companies, the Company does not have an internal audit function. All of the Company’s management functions are delegated to the Investment Manager, Administrator and Company Secretary and Registrar which have their own internal audit and risk assessment functions, where applicable.

A report is tabled and discussed at each Audit Committee meeting, and reviewed once a year by the Board, setting out the Company’s risk exposure and the effectiveness of its risk management and internal control systems. The Board believes that the Company has adequate and effective systems in place to identify, mitigate and manage the risks to which it is exposed.

Further reports are received from the Administrator in respect of compliance, London Stock Exchange continuing obligations and other matters. The reports have been reviewed by the Board. No material adverse findings were identified in these reports.

Anti-Bribery and Corruption Policy

The Board has adopted a formal Anti-bribery and Corruption Policy. The policy applies to the Company and to each of its Directors. Furthermore, the policy is shared with each of the Company’s main service providers.

DIRECTORS' REPORT (continued)

International Tax Reporting
For the purposes of the US Foreign Account Tax Compliance Act, the Company registered with the US Internal Revenue Services ("IRS") as a Guernsey reporting Foreign Financial Institution ("FFI"), received a Global Intermediary Identification Number (WPC4ID.99999.SL.831) and can be found on the IRS FFI list.

The Common Reporting Standard ("CRS") is a standard developed by the Organisation for Economic Co-operation and Development ("OECD") and is a global approach to the automatic exchange of tax information. Guernsey has now adopted the CRS which came into effect on 1 January 2016. The CRS has replaced the UK Inter-Governmental Agreement ("IGA") with effect from 1 January 2016. However, it will still be necessary to submit the 2014 and 2015 reports for the UK IGA by 30 June 2016. The first report for CRS will be made to the Director of Income Tax by 30 June 2017.

The Company is subject to Guernsey regulations and guidance based on reciprocal information sharing inter-governmental agreements which Guernsey has entered into with the United Kingdom and the United States of America. The Board will take the necessary actions to ensure that the Company is compliant with Guernsey regulations and guidance in this regard.

Alternative Investment Fund Managers Directive ("AIFMD")
On 19 December 2014, the Company appointed as its Alternative Investment Fund Manager, BACIT (UK) Limited, which is authorised and regulated by the Financial Conduct Authority. This was a response to the fact that the structure within the BACIT Limited group of companies is likely to fall within the definition of an alternative investment fund as set out in the UK rules that give effect to the AIFMD.

BACIT Foundation
As discussed in the Group's investment objectives and policy, of one-twelfth of 1% of the total NAV of the Company at each month-end during the year is donated annually by the Group to charity, with half donated to the ICR and half donated to The BACIT Foundation for onward distribution among other charities in proportions which are determined each year by the Shareholders. There is a formal process allowing the Board to scrutinise the list, and this has been duly conducted.

The BACIT Foundation's trustees consider carefully which charities to include in the list, aiming to make sure both that expectations raised during the establishment and early years of the Company are met, and that the Company's shareholders, when given their opportunity to allocate the donation among charities, have an appropriate range to choose from.

Arabella Cecil, Thomas Henderson and Martin Thomas are Trustees of The BACIT Foundation.

The charitable objects of The BACIT Foundation relate to the prevention, treatment, cure and ultimately eradication of cancer, but also cover diseases allied to cancer, and such other charitable objects and organisations as the Foundation may from time to time consider desirable. The trustees have considered a number of requests for funding that have been received. These applications have been predominantly received from charities associated with cancer in all of its forms, and that, too, has operated to inform the trustees' decision-making.

If the NAV of the Company grows, so too will the amount that is to be donated by the Group to the charities selected by The BACIT Foundation and, over time, the trustees intend to respond to this hoped-for growth with an increasingly sophisticated charity selection, monitoring and impact measurement process.

DIRECTORS' REPORT (continued)

Relations with Shareholders

The Net Asset Value figures are published monthly via Regulatory News Service and are also available on the Company's website, www.bacitltd.com. The Directors receive regular feedback, with assistance from the Company's broker, from institutional shareholders, which is reported to the Board and the Chairman. Shareholders who wish to communicate with the Board should contact the Administrator in the first instance, whose contact details can be found on page 1. In addition, Board members will be available to respond to shareholders' questions at the Annual General Meeting.

Nicholas Moss	Peter Hames
Director	Director

4 July 2016

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RESPECT OF THE ANNUAL REPORT AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS

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

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors are required to prepare the group financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period. In preparing these Financial Statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with The Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the Guernsey and the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement
We confirm that to the best of our knowledge,

- the financial statements have been prepared in accordance with International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as a whole;

- the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the company's performance, business model and strategy; and

STATEMENT OF DIRECTORS' RESPONSIBILITY IN RESPECT OF THE ANNUAL REPORT AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS (continued)

Responsibility statement (continued)

- these financial statements include information and details in the Chairman's Statement, the Directors' Report, the Report of BACIT (UK) Limited and the notes to the financial statements, which provide a fair review of the information required by:

  (a) DTR 4.1.8 of the Disclosure and Transparency Rules, being a fair review of the Company business and a description of the principal risks and uncertainties facing the Company; and
  (b) DTR 4.1.11 of the Disclosure and Transparency Rules, being an indication of important events that have occurred since the end of the financial year and the likely future development of the Company.

Signed on behalf of the Board by:

Nicholas Moss	Peter Hames
Director	Director

4 July 2016

DIRECTORS' REMUNERATION REPORT

Introduction

An ordinary resolution for the approval of the annual remuneration report will be put to the Shareholders at the Annual General Meeting to be held in 2016.

Remuneration Policy

All Directors are non-executive and a Remuneration Committee has not been established.

The Articles of Association provide that, unless otherwise determined by ordinary resolution, the number of the Directors shall not be less than two and the aggregate remuneration of all Directors in any twelve month period, or pro rata for any lesser period, shall not exceed £500,000 or such higher amount as may be approved by ordinary resolution. Subject to this overall limit, it is the Board's policy to determine the level of Directors' fees having regard to the fees payable to non-executive directors in the industry generally, the role that individual Directors fulfil in respect of Board and Committee responsibilities and time committed to the Company's affairs.

The Directors shall also be entitled to be repaid all reasonable out of pocket expenses properly incurred by them in or with a view to the performance of their duties or in attending meetings of the Board or of committees or general meetings.

The Board shall have the power at any time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. There shall be no maximum number of Directors unless otherwise determined by the Company by Ordinary Resolution. Any Director so appointed shall hold office only until the next following Annual General Meeting and shall then be eligible for re-election.

Remuneration

For the year ended 31 March 2016, each Director was entitled to a fee of £20,000 per annum, except for the Chairman who was entitled to £30,000 per annum. With effect from 1 April 2016, the Chairman is entitled to a fee of £40,000 per annum, the Chairman of the Audit Committee is entitled to a fee of £30,000 per annum and the other Directors are each entitled to a fee of £25,000 per annum. Mr Tigue, Mr Henderson and Ms Cecil will continue to waive their rights to receive their fees.

For the year to 31 March 2016, the fees for Directors were as follows:

	31.03.16	**31.03.15**
	£'000	**£'000**
Jeremy Tigue (Chairman)	-	-
Arabella Cecil*	-	-
Peter Hames	20	20
Thomas Henderson	-	-
Colin Maltby	20	20
Nicholas Moss	20	20
Jonathan Moulton**	9	20
Martin Thomas***	19	20
	88	100

* Arabella Cecil was appointed to the Board on 9 September 2015.
** Jonathan Moulton resigned from the Board on 9 September 2015.
*** Martin Thomas resigned from the Board on 18 March 2016.

Signed on behalf of the Board by:

Nicholas Moss
Director
4 July 2016

Peter Hames
Director

REPORT OF THE AUDIT COMMITTEE

We present below the Audit Committee's (the "Committee") Report for the year, setting out the Committee's structure, duties and evaluations during the year. As in the previous year, the Committee has reviewed the Company's financial reporting, the independence of the Independent Auditor and effectiveness of the audit process and the internal control and risk management systems of the service providers.

Structure of the Committee
The Committee's members are Nicholas Moss (Chairman), Colin Maltby and Peter Hames. Peter Hames was appointed to the Committee on 23 November 2015. The chairman and the members are all independent directors.

The Committee comprises at least three members, all of whom are appointed by the Board. Appointments to the Committee shall be for a period of up to three full years, extendable for two further three year periods. The chairman and the members of the Committee are all serving their third year of the first three year term.

The Committee conducts formal meetings at least three times a year. The table on page 19 sets out the number of meetings held during the year and the number of meetings attended by each of the members. Other Directors who are not members of the Committee may also be invited to the meetings. The Independent Auditor is invited to attend those meetings at which the annual and interim reports as well as the planning report are considered. The Independent Auditor and the Committee also meet together without representatives of either the Administrator or the Investment Manager being present if either considers this to be necessary.

Duties of the Committee
The role of the Committee includes, but is not limited to:

- monitoring the integrity of the Consolidated Financial Statements;
- reviewing the significant issues and judgements made in the preparation of the Consolidated Financial Statements and other financial information and reporting them to the Board;
- monitoring and reviewing the relevant internal control and risk management systems;
- monitoring and reviewing the quality and effectiveness of the Independent Auditor, their independence and audit process; and
- considering and making recommendations to the Board on the appointment, reappointment, replacement and remuneration to the Company's Independent Auditor.

Details of the Committee's formal duties and responsibilities are set out in the Committee's terms of reference, which can be obtained from the Company's Administrator.

REPORT OF THE AUDIT COMMITTEE (continued)

Independent Auditor
The independence and objectivity of the Independent Auditor is reviewed by the Committee which also reviews the terms under which the Independent Auditor is appointed to perform non-audit services. The outsourcing of any non-audit services to the Independent Auditor will require prior Committee approval where fees for the services are in excess of £10,000.

As a general policy, the Company does not utilise the Independent Auditor for internal audit purposes, secondments or valuation advice. Services which are in the nature of audit such as tax compliance, tax structuring, accounting advice, quarterly reviews and disclosure advice are normally permitted but should be pre-approved where fees in a year are likely to be above £10,000.

The audit and non-audit fees proposed by the Independent Auditor each year are reviewed by the Committee taking into account the Company's structure, operations and other requirements during the year and the Committee makes recommendations to the Board.

The recent revisions to the UK Corporate Governance Code introduced a recommendation that the independent audit of FTSE 350 companies be put out to tender every ten years. The Audit Committee has noted this and will develop a plan for tendering at the appropriate time.

Deloitte LLP ("Deloitte") has been the Independent Auditor from the date of the initial listing on the LSE. David Becker is the lead audit partner and opinion signatory, and has been the lead audit partner for three financial years. At the Group's Annual General Meeting on 8 September 2015, Deloitte was re-appointed.

Key evaluations during the year
As a result of the adoption of IFRS 10: Investment Entities Exemption the Group only has one investment being the investment in the Partnership which is being valued at the Net Asset Value of the Partnership. The following significant issues considered during the year by the audit committee form a key part of the valuation of the Partnership.

1. Significant Financial Statement Issues

a. Performance fee rebates
The performance and management fee rebates as well as the movement in the fair value of the Partnership are key drivers in the Group's revenue recorded in the Statement of Comprehensive Income. Performance fee rebates accrued by the Partnership are recognised in the Consolidated Statement of Comprehensive Income under net gains on financial assets at fair value through profit or loss. However, income is recorded only when the rights and obligations associated with such income is transferred to the Group. Therefore performance fee rebates are adjusted to the fair value of the investments in the Partnership until they are crystallised. Crystallised performance fee rebates are recognised in the Consolidated Statement of Comprehensive Income under net gains on financial assets at fair value through profit or loss. At the year-end, uncrystallised performance fee rebates adjustment amounted to £100 (31 March 2015: £914,000). This issue is mitigated by the review process of the monthly NAV calculation and the audit of the year end NAV.

REPORT OF THE AUDIT COMMITTEE (continued)

1. Significant Financial Statement Issues (continued)

b. Liquidity and Valuation of Investments

The ongoing liquidity of the Partnership's investment portfolio has been evaluated and included a review of both financial and relevant non-financial information. Based on the review, the portfolio was assessed to be relatively liquid, with the exceptions of the investment in drug development, through BACIT Discovery Limited, and the private equity investments, which are disclosed separately in the financial statements. The valuations of these investments have been valued in accordance with International Private Equity and Venture Capital ("IPEVC") valuation guidelines. The Audit Committee considered the valuation of these investments to be reasonable from discussions with the Investment Manager, Custodian and Administrator.

2. Effectiveness of the External Audit

The Committee held formal and informal meetings with Deloitte during the course of the year: 1) before the start of the annual audit to discuss formal planning, discuss any potential issues and to agree the scope that would be covered; 2) after the annual audit work was concluded to discuss any significant issues; and 3) to consider and discuss the interim condensed consolidated financial statements. The Committee performed the following in relation to its review of the effectiveness and independence of the Independent Auditor.

- Reviewed the audit plan presented to the Committee before the start of the audit;
- Reviewed the audit findings report;
- Monitored changes to audit personnel;
- Discussed with both the Investment Manager and the Administrator any feedback on the audit process;
- Reviewed and approved the terms of engagement during the year, including review of the scope and related fees; and
- Reviewed and discussed Deloitte's own internal procedures and conclusion on its independence.

Further to the above, during each year, the Committee performs a specific evaluation of the performance of the Independent Auditor. This is supported by the results of questionnaires completed by the Committee covering areas such as the quality of the audit team, business understanding, audit approach and management.

There were no significant adverse findings from the evaluation this year and the Committee is satisfied that the audit process is effective.

REPORT OF THE AUDIT COMMITTEE (continued)

3. Audit Fees and Safeguards of Non-Audit Services

The table below summarises the remuneration paid by the Group to Deloitte for audit and non-audit services provided:

	31.03.16	31.03.15
Deloitte LLP	**£'000**	**£'000**
Audit services		
Annual Audit	54	47
Non-audit services		
Interim Review	14	14
Tax Services	5	5
FATCA registration services	-	1
FATCA classification services	-	5
UK Corporate tax return for BACIT Discovery Limited	2	-

The annual budget for both the audit and non-audit related services was presented to the Committee for pre-approval.

The Committee does not consider that the provision of these non-audit services is a threat to the objectivity and independence of the audit. Where non-audit services were performed, the fees were insignificant to the Group as a whole and when required a separate team was utilised. Further, the Committee has obtained Deloitte's confirmation that the other services provided do not prejudice its independence.

4. Internal Control

The Committee has examined the need for an internal audit function. The Committee considered that the systems and procedures employed by the Investment Manager and the Administrator, including any internal audit functions, provided sufficient assurance that a sound system of internal control, which safeguards the Company's assets, has been maintained. An internal audit function specific to the Company is therefore considered unnecessary.

The Committee received an externally prepared assessment of the control environment in place at the Administrator, who provides a Service Organisation Control ("SOC1") report. In addition, the Committee and the Board have received presentations from the Investment Manager regarding its operations and controls. No significant findings have been noted during the year.

5. Risk Management

The Audit Committee continued to consider the process for managing the risk of the Group and its service providers. Risk management procedures for the Group, as detailed in the Group's risk assessment matrix, were reviewed and approved by the Audit Committee. During the year there were no issues noted.

REPORT OF THE AUDIT COMMITTEE (continued)

Conclusion and Recommendation

After reviewing various reports such as performance reports from the Investment Manager, compliance reports from the Administrator, consulting where necessary with Deloitte, and assessing the significant Financial Statement issues listed on pages 29 and 30, the Committee is satisfied that the Consolidated Financial Statements appropriately address the critical judgements and key estimates in respect to the amounts reported and the disclosures. The Committee is also satisfied that the significant assumptions used for determining the value of assets and liabilities have been appropriately scrutinised, challenged and are sufficiently robust. The Committee further concludes that the Consolidated Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for Shareholders to assess the Group's performance, business model and strategy.

The Independent Auditor reported to the Committee that no material misstatements were found in the course of its work. Furthermore, both the Investment Manager and the Administrator confirmed to the Committee that they were not aware of any material misstatements including matters relating to the presentation of the Consolidated Financial Statements. The Committee confirms that it is satisfied that the Independent Auditor has fulfilled its responsibilities with diligence and has acted independently on the work undertaken on behalf of the Group. The Committee further recommended that Deloitte be reappointed for the next financial year.

A member of the Committee attends each Annual General Meeting to respond to any questions on matters not addressed in the foregoing.

The Committee also reviews, considers and, if thought appropriate, recommends for the purposes of the Company's financial statements valuations prepared by the Investment Manager. These valuations are the most critical element in the Company's financial statements and the Audit Committee questions them carefully. Most valuations are based directly on the statements received from the underlying funds' administrators. The Committee reviews these but also pays particular attention to any valuations which are based on the Investment Manager's own valuation.

Nicholas Moss
Audit Committee Chairman
4 July 2016

BACIT INVESTMENTS LP INCORPORATED PORTFOLIO STATEMENT
As at 31 March 2016

	Fair Value £'000	% of Total NAV of Partnership as at 31.03.16	% of Total NAV of Partnership as at 31.03.15
Equity Funds			
Majedie UK Equity			
UK equities	25,430	5.4	
Man GLG Pan-European Growth			
European high growth equities (Long bias) (Long; mandate permits Short)	8,648	1.8	
Polar Capital Japan Alpha			
Japanese large and mid cap equities	29,950	6.4	
Prosperity Russia Domestic			
Russian equities with a domestic focus	4,951	1.0	
Russian Prosperity			
Russian equities	9,452	2.0	
The SFP Value Realization			
Small and mid-cap Japanese equities	17,595	3.7	
Woodford Patient Capital			
UK listed and unlisted growth companies	11,122	2.4	
	107,148	22.7	23.8
Equity Hedge Funds			
Argenta Value			
Long/Short European equities	9,860	2.1	
Maga Smaller Companies UCITS			
European equities (Long/Short)	23,454	5.0	
Polygon European Equity Opportunity			
European event-driven equities (Long/Short)	27,016	5.7	
Polygon Mining			
Junior gold miners, hedged with commodities, indices and large caps	16,290	3.4	
Portland Hill			
Event-driven equity investments (Long/Short)	18,225	3.9	
SW Mitchell Emerging European			
Emerging European equities (Long; mandate permits Short)	1,749	0.4	
SW Mitchell European			
European equities (Long/Short)	21,778	4.6	
Tower			
South African listed equities (Long/Short)	22,354	4.7	
Tower GEM UCITS			
EM equities, primarily sub-Saharan Africa (Long/Short)	2,992	0.7	
Zebedee Growth			
European equities (Long/Short)	11,328	2.4	
	155,046	32.9	30.5
Commodity Funds			
Cumulus			
European, Australasian and US power; oil, natural gas, coal (Long/Short)	18,079	3.8	
The AlphaGen Long Short Agriculture			
Global exchange traded agricultural commodities (Long/Short)	8,690	1.9	
	26,769	5.7	4.5

BACIT INVESTMENTS LP INCORPORATED PORTFOLIO STATEMENT (continued)
As at 31 March 2016

	Fair Value £'000	% of Total NAV of Partnership as at 31.03.16	% of Total NAV of Partnership as at 31.03.15
Fixed Income and Credit Funds			
CG Portfolio Dollar			
US TIPs (inflation linked government bonds)	16,079	3.4	
Chenavari EU Real Estate			
European real estate debt, through private and public transactions	2,274	0.4	
Chenavari EU Regulatory Capital			
European corporate credit through private transactions	7,914	1.7	
Chenavari Long Short Corporate Credit			
European corporate credit through cash and derivatives (Long/Short)	15,312	3.2	
Polygon Convertible Opportunity			
US and European convertible arbitrage	10,483	2.2	
WyeTree European Recovery			
European residential mortgage-backed securities	14,305	3.1	
WyeTree RRETRO			
US subprime mortgage-backed securities	9,387	2.0	
	75,754	16.0	16.6
Global Macro Funds			
Parity Value			
Discretionary global macro (Long/Short)	22,057	4.7	
Seia Global Macro			
Discretionary global macro (Long/Short)	15,472	3.3	
Sinfonietta			
Equities, rates, FX and commodities, with an Asian focus (Long/Short)	20,923	4.4	
	58,452	12.4	16.8
Other Strategies			
BACIT Discovery			
Oncology-related drug & medtech	9,606	2.0	
Bridge 140 AB			
Private equity, early growth investments in Northern Europe	3,928	0.8	
Infracapital Partners II			
Private investments in European infrastructure	11,718	2.5	
Permira V			
Private equity, mid to large cap European buyouts	11,997	2.5	
	37,249	7.8	3.0
Total Investments	**460,418**	**97.5**	**95.2**
Cash and cash equivalents	12,358	2.6	
Unrealised gains on forward currency contracts	4,049	0.8	
Trade and other receivables	281	0.1	
Trade and other payables	(4,812)	(1.0)	
	11,876	2.5	4.8
Total Value of the Partnership	**472,294**	**100.0**	**100.0**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BACIT LIMITED

Opinion on consolidated financial statements of BACIT Limited (the "Group")	**In our opinion the financial statements:** • **give a true and fair view of the state of the Group's affairs as at 31 March 2016 and of the Group's loss for the year then ended;** • **have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and** • **have been prepared in accordance with the requirements of The Companies (Guernsey) Law, 2008.** The financial statements comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Net Assets Attributable to Holders of Ordinary Shares, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows and the related notes 1 to 23. The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.
Going concern and the directors' assessment of the principal risks that would threaten the solvency or liquidity of the Group	We have reviewed the directors' statement regarding the appropriateness of the going concern basis of accounting contained within the Directors' Report on page 16 and the directors' statement on the longer-term viability of the Group contained within the Directors' Report on page 15. We have nothing material to add or draw attention to in relation to: • the directors' confirmation on page 14 that they have carried out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity; • the disclosures on page 14 that describe those risks and explain how they are being managed or mitigated; • the directors' statement on page 16 about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them and their identification of any material uncertainties to the Group's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BACIT LIMITED (continued)

	• the directors' explanation on pages 15 to 16 as to how they have assessed the prospects of the Group, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions. We agreed with the directors' adoption of the going concern basis of accounting and we did not identify any such material uncertainties. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.
Independence	We are required to comply with the Financial Reporting Council's Ethical Standards for Auditors and we confirm that we are independent of the Group and we have fulfilled our other ethical responsibilities in accordance with those standards. We also confirm we have not provided any of the prohibited non-audit services referred to in those standards.
Our assessment of risks of material misstatement	The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.

Risk	How the scope of our audit responded to the risk
Ownership and Valuation of Underlying Investments The financial assets at fair value through profit or loss recognised by the Group at year end are represented by a controlling capital interest in BACIT Investments LP Incorporated ("the LP"), which is valued at £472.3m (2015: £479.2m) in the Consolidated Statement of Financial Position. The LP acts as the investment vehicle through which the Group holds its portfolio of investments. As described in Note 1 to the financial statements, the LP meets the definition of an Investment Entity under IFRS 10 'Consolidated Financial Statements' ('IFRS 10'), and as such is held at fair value through profit or loss rather than being consolidated. The fair value of the investment portfolio of the	In order to test the underlying investments as at 31 March 2016 we performed the following procedures: • Assessed the design and implementation of controls relating to the valuation and ownership of investments. This included reviewing the report prepared by the independent service auditor of the controls adopted by the LP's Custodian and Administrator; • Verified 100% of holdings of investments at year end to independent third party confirmation by the LP's Custodian; • Verified 100% of investment purchases and sales in the year to contract notes, in order to ensure these were recorded in the correct period; • Recalculated 100% of the realised gains

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BACIT LIMITED (continued)

LP at year end is £460.4m (2015: £456.3m) and represents 97.5% (2015: 95.2%) of the fair value of the Group's investment in the LP. Details of the investments balance are disclosed in notes 11, 17 and 18, and the accounting policies relating to them are disclosed in note 1.

The risk exists that the LP has not retained the rights and obligations of its investment portfolio, or that investment transactions have not been recognised on a trade date basis, which may result in gains and losses on investments being materially incorrect.

The risk also exists that the pricing methodology applied by the LP does not reflect the actual exit price of those investments at year end in accordance with IFRS 13 'Fair Value Measurement' ('IFRS 13') and International Private Equity and Venture Capital ('IPEVC') guidelines.

and losses on investments based on proceeds received from contract notes and original cost, to gain assurance that these were accurate;

- Recalculated the year end fair value of 100% of the investment portfolio using independent pricing information. For unquoted investments, prices for the purpose of subscriptions and redemptions from the funds were sought from the independent administrators of the underlying investee funds;
- Reviewed the valuation methodology applied to those investments classified as Level 3 within the fair value hierarchy under IFRS 13, and challenged the Directors as to whether the assumptions used in valuing the underlying funds were a relevant and reasonable basis for calculating the fair value of those investments at year end;
- Inspected the due diligence processes performed by the Investment Manager, BACIT (UK) Limited, for a sample of investments;
- Inspected the latest available audited financial statements for each investment, where available, to determine whether prices reported by the investee funds' administrators were reconciled to prices reported on the date of these audited financial statements; and
- Recalculated the unrealised gains and losses on investments, based on original cost and year end fair value, to gain assurance that these were correct.

Risk of Fraud in Revenue Recognition

As described above, the Group held a single investment during the year in the LP. Net losses arising on the investment in the LP during the year amounted to £6.9m (2015: net gain of £44.3m), as disclosed in note 5. Accounting policies in relation to the inputs to this are disclosed in notes 1 and 5.

The inputs to this are derived from the Statement of Comprehensive Income of the LP, less distributions paid and accrued between the LP and the Group. We have

In order to test the performance and management fee rebates recognised in the year, we performed the following procedures:

- Assessed the design and implementation of controls in relation to the reconciliation and calculation of rebates performed by the LP's Administrator;
- Analysed the management and performance fee rebates of the underlying funds based on their performance over the year to assess whether those recorded by the LP were in line with our expectations;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BACIT LIMITED (continued)

therefore considered those items within the financial statements of the LP in evaluating our risk of material misstatement. We have considered the net gains and losses on financial instruments of the LP as part of the above risk around valuation and ownership of financial assets. Distributions were made between Group companies, and were therefore not considered to be qualitatively material. The only amounts of revenue income received by the LP that were considered material were the rebates and donations of £3.2m (2015: £3.3m). As further described in note 6, the LP invests on a basis where the Group is reimbursed the amount of management and performance fees in rebates or invests on a fee-free basis, due to its philanthropic nature. Performance fee rebates are accrued over the year, based on calculations of the performance of the underlying funds. This is then adjusted within the fair value of the financial assets of the LP, until such time as these are crystallised. Management fee rebates in shares are recognised in the Statement of Comprehensive Income, with the cost of the equity instruments on initial recognition being the value of that rebate. Given the complexity of the accounting treatment around rebates, we considered this to be the area of greatest risk in relation to this balance. The risk therefore exists that rebates recognised during the year are not complete, or that the value of rebates accrued is not calculated accurately, such that there is a material misstatement.	• Obtained independent confirmation for all underlying investments with whom rebate agreements exist, the amounts paid during the year, and associated balances at year end; • Selected a sample of underlying investments of the LP, for which we inspected signed documentation confirming investment on a fee-free basis; and • Recalculated the rebates paid and accrued in the year for a sample of investment holdings, based on the terms of the investee fund agreements.

Last year our report included a risk in relation to adoption of IFRS 10: Investment Entities Exemption. The Group's accounting change adjustments were completed last year with no findings noted, and as such we no longer consider this to be a significant area of audit risk.

The description of risks above should be read in conjunction with the significant issues considered by the Audit Committee discussed on page 29.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BACIT LIMITED (continued)

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.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

We determined materiality for the Group to be £9.42 million (2015: £9.58 million), which is 2% (2015: 2%) of equity. The Group's investment objective is to realise returns through growth in the fair value of investments in long and alternative investment funds. We therefore considered the value of the Group's equity to be a key performance indicator for shareholders.

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £0.19 million (2015: £0.19 million), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and the LP, as well as the service organisations and their environment, including the internal controls of the Group and the LP, and assessing the risks of material misstatement at the Group level. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.

At the parent entity level we also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information of the components of the Group not subject to audit or audit of specified account balances.

As the auditor to the Group's subsidiary and the LP, we carried out audit work on both the underlying subsidiary and the LP. This was executed at a level of materiality applicable to that subsidiary. The materiality of the Group's subsidiary was £0.49m (2015: £0.44m) and the materiality of the LP was £9.32m (2015: £9.48m).

Matters on which we are required to report by exception

Adequacy of

Under the The Companies (Guernsey) Law, 2008 we are required to

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BACIT LIMITED (continued)

explanations received and accounting records

report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

Corporate Governance Statement

Under the Listing Rules we are also required to review part of the Corporate Governance Statement relating to the company's compliance with certain provisions of the UK Corporate Governance Code. We have nothing to report arising from our review.

Our duty to read other information in the Annual Report

Under International Standards on Auditing (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Group acquired in the course of performing our audit; or
- otherwise misleading.

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the audit committee which we consider should have been disclosed. We confirm that we have not identified any such inconsistencies or misleading statements.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). We also comply with International Standard on Quality Control 1 (UK and Ireland). Our audit methodology and tools aim to ensure that our quality control procedures are effective, understood and applied. Our quality controls and systems include our dedicated professional standards review team and independent partner reviews.

This report is made solely to the company's members, as a body, in accordance with Section 262 of The Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BACIT LIMITED (continued)

an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

David Becker (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Recognised Auditor
St Peter Port, Guernsey
4 July 2016

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2016

	Notes	Revenue £'000	Capital £'000	01.04.15 to 31.03.16 Total £'000
Investment income				
Other income	4	11,880	-	11,880
Total investment income		11,880	-	11,880
Net losses on financial assets at fair value through profit or loss	5	-	(6,857)	(6,857)
Total gains		-	(6,857)	(6,857)
Expenses				
Charitable donation	7	4,752	-	4,752
Administration fee	8	165	-	165
Management expense contribution	9	226	-	226
Directors' fees	15	88	-	88
Other expenses	10	792	-	792
Total expenses		6,023	-	6,023
Profit/(loss) for the year		5,857	(6,857)	(1,000)
Earnings/(loss) per Ordinary Share	14	1.53p	(1.79)p	(0.26)p

The total column of this statement represents the Group's Consolidated Statement of Comprehensive Income, prepared in accordance with IFRS. The supplementary revenue and capital columns are both prepared under guidance published by the Association of Investment Companies.

The profit/(loss) for the year is equivalent to the "total comprehensive income" as defined by IAS 1 Presentation of Financial Statements ('IAS 1'). There is no other comprehensive income as defined by IFRS.

All the items in the above statement derive from continuing operations.

The notes on pages 47 to 77 form an integral part of these financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2015

	Notes	Revenue £'000	Capital £'000	01.04.14 to 31.03.15 Total £'000
Investment income				
Other income	4	10,972	-	10,972
Total investment income		10,972	-	10,972
Net gains on financial assets at fair value through profit or loss	5	-	44,328	44,328
Total gains		-	44,328	44,328
Expenses				
Charitable donation	7	4,719	-	4,719
Administration fee	8	162	-	162
Directors' fees	15	100	-	100
Other expenses	10	641	-	641
Total expenses		5,622	-	5,622
Profit for the year		5,350	44,328	49,678
Earnings per Ordinary Share	14	1.40p	11.60p	13.00p

The total column of this statement represents the Group's consolidated statement of comprehensive income, prepared in accordance with IFRS. The supplementary revenue and capital columns are both prepared under guidance published by the Association of Investment Companies.

The Profit for the year is the "total comprehensive income" as defined by IAS 1. There is no other comprehensive income as defined by IFRS.

All the items in the above statement derive from continuing operations.

The notes on pages 47 to 77 form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF ORDINARY SHARES

For the year ended 31 March 2016

	Notes	Share Capital Account £'000	Capital Reserves £'000	Revenue Reserves £'000	Total £'000
Balance at the beginning of the year		403,987	75,077	-	479,064
Total Comprehensive (loss)/income for the year		-	(6,857)	5,857	(1,000)
Transactions with Shareholders:					
Distributions	3	-	(2,183)	(5,857)	(8,040)
Issuance of shares	14	2,221	-	-	2,221
Balance at the end of the year		406,208	66,037	-	472,245

For the year ended 31 March 2015

	Notes	Share Capital Account £'000	Capital Reserves £'000	Revenue Reserves £'000	Total £'000
Balance at the beginning of the year		401,831	33,019	-	434,850
Total Comprehensive income for the year		-	44,328	5,350	49,678
Transactions with Shareholders:					
Distributions	3	-	(2,270)	(5,350)	(7,620)
Issuance of shares	14	2,156	-	-	2,156
Balance at the end of the year		403,987	75,077	-	479,064

The notes on pages 47 to 77 form an integral part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2016

	Notes	31.03.16 £'000	31.03.15 £'000
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss	11	472,294	479,151
Current assets			
Bank and cash deposits		41	23
Trade and other receivables	12	4,795	4,438
Total assets		477,130	483,612
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables	13	4,885	4,548
Total liabilities		4,885	4,548
EQUITY			
Share capital account	14	406,208	403,987
Distributable Reserves		66,037	75,077
Total equity		472,245	479,064
Total liabilities and equity		477,130	483,612
Total net assets attributable to holders of Ordinary Shares		472,245	479,064
Number of Ordinary Shares in Issue	14	384,665,158	382,867,127
Net assets attributable to holders of Ordinary Shares (per share)		£1.23	£1.25

The audited Consolidated Financial Statements on pages 42 to 77 were approved on 4 July 2016 and signed on behalf of the Board of Directors by:

Nicholas Moss
Director

Peter Hames
Director

The notes on pages 47 to 77 form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 March 2016

	Notes	01.04.15 to 31.03.16 £'000	01.04.14 to 31.03.15 £'000
Cash flows from operating activities			
(Loss)/profit for the year		(1,000)	49,678
Adjusted for:			
Losses/(gains) on financial assets at fair value through profit or loss		6,857	(44,328)
Operating cash flows before movements in working capital		5,857	5,350
Increase in other receivables		(357)	(1,227)
Increase in other payables		337	1,288
Net cash generated from operating activities		5,837	5,411
Cash flows from investing activities			
Purchase of financial assets at fair value through profit or loss	11	-	-
Net cash used in investing activities		-	-
Cash flows from financing activities			
Distributions	3	(5,819)	(5,464)
Net cash used in financing activities		(5,819)	(5,464)
Net increase/(decrease) in cash and cash equivalents		18	(53)
Cash and cash equivalents at beginning of year		23	76
Cash and cash equivalents at end of year		41	23

The notes on pages 47 to 77 form an integral part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 March 2016

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered to be material in relation to the Group's financial statements:

Statement of compliance
The Consolidated Financial Statements give a true and fair view, are prepared in accordance with International Financial Reporting Standards ("IFRS") adopted for use in the European Union, which comprise standards and interpretations approved by the International Accounting Standards Board ("IASB") and are in compliance with The Companies (Guernsey) Law, 2008.

Basis of preparation
The Consolidated Financial Statements have been prepared under the historical cost basis, except for investments and derivatives held at fair value through profit or loss, which have been measured at fair value.

Basis of consolidation
BACIT GP Limited (the "General Partner" or "Subsidiary") is consolidated in full from the date of acquisition, being the date on which the Company obtained control and will continue to do so until such control ceases. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

The results of the Subsidiary during the year are included in the Consolidated Statement of Comprehensive Income from the effective date of incorporation. The financial statements of the Subsidiary are prepared in accordance with United Kingdom Accounting Standards. Where necessary, adjustments are made to the financial statements of the Subsidiary to bring the accounting policies used into line with those used by the Group. During the year, no such adjustments have been made.

All intra-group transactions, balances and expenses are eliminated on consolidation. Entities that meet the definition of an Investment Entity under IFRS 10 Consolidated Financial Statements are held at fair value through profit or loss in accordance with IAS 39 Financial Instruments: Recognition and Measurement.

Financial Instruments
Financial assets and derivatives are recognised in the Group's Consolidated Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

1. ACCOUNTING POLICIES (continued)

Financial Instruments (continued)
Financial assets are classified into the following categories: financial assets at fair value through profit or loss, held-to-maturity investments, available for sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the timeframe established by regulation or convention in the marketplace. The Group classifies its financial assets as financial assets at fair value through profit or loss and loans and receivables.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial assets at fair value through profit or loss ("investments")
Investments purchased are initially recorded at fair value, being the consideration given and excluding transaction or other dealing costs associated with the investment. Gains and losses on investments sold are recognised in the Statement of Comprehensive Income in the period in which they arise. The appropriate classification of the investments is determined at the time of the purchase and is re-evaluated on a regular basis.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The carrying amounts, being the cost, shown in the Consolidated Statement of Financial Position approximate the fair values due to the short term nature of these loans and receivables. The Group's loans and receivables consist of cash and cash equivalents and trade and other receivables.

Forward currency contracts
Forward foreign currency contracts are derivative contracts and as such are recognised at fair value on the date on which they are entered into and subsequently remeasured at their fair value. Fair value is determined by rates in active currency markets.

Other financial liabilities
Other financial liabilities include all other financial liabilities other than those designated as financial liabilities at fair value through profit or loss. The Group's other financial liabilities include trade and other payables. The carrying amounts shown in the Consolidated Statement of Financial Position approximate the fair values due to the short term nature of these other financial liabilities.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount reported in the Consolidated Statement of Financial Position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise assets and settle the liabilities simultaneously.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2016

1. ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Fair Value

As a result of the adoption of IFRS 10: Investment Entities Exemption the Group has only one investment, being the investment in the Partnership which is being valued at the Net Asset Value (“NAV”) of the Partnership. The net assets of the Partnership, which at 31 March 2016 principally comprise financial assets at fair value through profit and loss, are required to be valued at fair value in the carrying value of investments. This change did not affect the NAV of the Group.

The investments of the Partnership that are listed or quoted on a recognised market are valued at mid market price in the relevant market at the Statement of Financial Position date. The valuations of all investments in investment funds are based upon the latest information available to the Partnership provided by the underlying investment funds in which the Partnership has invested, except for listed investments where information was taken from business and financial market news sites.

The valuation date of such funds is not always coterminous with the valuation date of the Partnership and in such cases the valuation of the fund as at the last valuation date is used. The NAV reported by the fund manager or administrator may be unaudited and in some cases, the notified NAV is based upon estimates.

In certain cases the Partnership adjusts values to their best estimate. Whilst the Partnership has no reason to suppose that any such valuations are unreasonable, the amounts realised from the ultimate redemption or sale of these funds may materially differ from these values.

The Partnership also invests in private equity and infrastructure funds which are held at fair value through profit or loss. Their value is determined in accordance with the information provided by the investee funds to the Partnership in relation to such investments, although the Partnership may make appropriate adjustment to such valuations if acting in good faith it determines that such valuations do not accurately reflect the true value of the investments. The Partnership’s assessment of fair value is determined in accordance with International Private Equity and Venture Capital (‘‘IPEVC’’) valuation guidelines, as the Board consider that the IPEVC valuation methodology used in deriving a fair value is not materially different from the fair value requirements of IFRS 13.

The Partnership also invests in the Pioneer Fund and may invest in drug development and medical innovation projects undertaken by the ICR or its subsidiaries. These investments are expected to be in the research and development stage. The Board values these investments in line with the IPEVC valuation guidelines. The Partnership has committed to invest up to £20 million in the Pioneer Fund. See note 21 for further details.

Gains and losses arising from changes in the fair value of financial assets are shown as net gains or losses on financial assets through profit or loss in note 5 and recognised in the Consolidated Statement of Comprehensive Income in the period in which they arise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2016

1. ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Derecognition of financial instruments

A financial asset is derecognised when: (a) the rights to receive cash flows from the financial asset have expired, (b) the Group retains the right to receive cash flows from the financial asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass through arrangement"; or (c) the Group has transferred substantially all the risks and rewards of the financial asset, or has neither transferred nor retained substantially all the risks and rewards of the financial asset, but has transferred control of the financial asset.

A financial liability is derecognised when the contractual obligation under the liability is discharged, cancelled or expired.

Commitments

Through its investment in the Partnership, the Group has outstanding commitments on investments that are not recognised in the Consolidated Financial Statements. Refer to note 21 for further details.

Income

All income is accounted for on an accruals basis and is recognised in the Consolidated Statement of Comprehensive Income.

The Partnership receives fee rebates and donations from its investments. Please refer to note 4 for details.

Expenses

Expenses are accounted for on an accruals basis. Expenses incurred on the acquisition of investments at fair value through profit or loss are charged to the Consolidated Statement of Comprehensive Income in capital. All other expenses are charged to the Statement of Comprehensive Income in revenue. Charitable donations are accounted for on an accruals basis and are recognised in the Consolidated Statements of Comprehensive Income. Expenses directly attributable to the issuance of shares are charged against capital and recognised in the Consolidated Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank 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.

Translation of foreign currency

Items included in the Group's Consolidated Financial Statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). The Consolidated Financial Statements are presented in Sterling (£), which is the Group's functional and presentational currency.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2016

1. ACCOUNTING POLICIES (continued)

Translation of foreign currency (continued)

Transactions in currencies other than Sterling are translated at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the date of the Consolidated Statement of Financial Position are translated into Sterling at the rate of exchange ruling at that date.

Foreign exchange differences arising on retranslation are recognised in the Consolidated Statement of Comprehensive Income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the rate of exchange at the date of the transaction.

Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated into Sterling at foreign exchange rates ruling at the date the fair value was determined.

Significant accounting judgements, estimates and assumptions

The preparation of the Group's Consolidated Financial Statements requires the Directors to make judgements, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities at the reporting date. However, uncertainties about these assumptions and estimates, in particular relating to the Partnership's private equity and infrastructure investments could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

The Group's investment consists of its investments in the Partnership and is valued as the Group's share of the Partnership's NAV. As at the year end, none of the Partnership's underlying investments have imposed restrictions on redemptions. However underlying managers often have the right to impose such restrictions. The Directors believe it remains appropriate to estimate their fair values based on NAV as reported by the administrators of the relevant investments.

Except for listed investments, the Directors believe that such NAV represents fair value because subscriptions and redemptions in the underlying investments occur at these prices at the consolidated statement of financial position date, where permitted.

Standards, amendments and interpretations adopted by the Group

The Group had adopted IFRS 10 'Consolidated Financial Statements', including the Amendments, 'Investment Entities (Amendments to IFRS 10)' in the prior year ended 31 March 2015. The Amendments require entities that meet the definition of an investment entity to fair value certain subsidiaries through profit or loss in accordance with IAS 39 Financial Instruments: Recognition and Measurement, rather than consolidate their results.

The impact of adopting Investment Entities (Amendments to IFRS 10) is the exclusion from consolidation of assets, liabilities, income and expenses of the Partnership which were previously consolidated on a line-by-line basis. As such the Partnership is now held at fair value and no longer consolidated. The General Partner continues to be consolidated as it provides investment related services to the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2016

1. ACCOUNTING POLICIES (continued)

Assessment as investment entity

Entities that meet the definition of an investment entity within IFRS 10 are required to measure their subsidiaries, other than those that provide investment services to the Group, at fair value through profit or loss rather than consolidate them. The criteria which define an investment entity are, as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Company meets the criteria as follows:

The Company is a closed-ended investment company and has a number of investors who pool their funds to gain access to the Company's investment services and investment opportunities that they might not have had access to individually. The Company, being listed on the London Stock Exchange, obtains funding from a diverse group of external shareholders.

The Company's objective is consistent with that of an investment entity. The Company has the intention to realise the constituents of each of its investment classes.

The Partnership measures and evaluates the performance of substantially all of its investments on a fair value basis. The fair value method is used to represent the Company's performance in its communication to the market, including investor presentations. In addition, the Company reports fair value information internally to Directors, who use fair value as a significant measurement attribute to evaluate the performance of its investments and to make investment decisions for mature investments.

The IFRS 10 Investment Entity Exemption requires investment entities to fair value all subsidiaries that are themselves investment entities. As the Partnership meets the criteria of an investment entity it has been deconsolidated by the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

1. ACCOUNTING POLICIES (continued)

Standards, amendments and interpretations not yet effective
At the date of approval of these Consolidated Financial Statements, the following standards and interpretations, which have not been applied in these Consolidated Financial Statements, were in issue but not yet effective:

IFRS 9 – Financial instruments: Classification and measurement (effective – 1 January 2018)
IFRS 15 – Revenue from Contracts with Customers (effective – 1 January 2018)
IFRS 16 – Leases (effective 1 January 2019)

The Board expects that the adoption of these standards in the future period will not have a material impact on the financial statements of the Group. IFRS 9, 'Financial Instruments' was issued in December 2009 and addresses the classification and measurement of financial assets and is likely to affect the Group's accounting for financial assets. The standard is not expected to be applicable until 1 January 2018 but it is available for early adoption. The Group is currently in the process of evaluating the potential effect of this standard. The standard is not expected to have a significant impact on the financial statements since the majority of the Group's financial assets are designated at fair value through profit or loss.

Presentation of the Statement of Comprehensive Income
In order to better reflect the activities of an investment company and in accordance with guidance issued by the Association of Investment Companies, supplementary information which analyses the Statement of Comprehensive Income between items of a revenue and capital nature has been presented alongside the Statement of Comprehensive Income.

2. TAXATION

The Company and the General Partner are exempt from taxation in Guernsey under the provisions of The Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 and have both paid an annual exemption fee of £1,200 (31 March 2015: £600).

The General Partner is incorporated and tax resident in Guernsey, its corporate affairs being managed solely in Guernsey. Having regard to the non-UK tax residence of the General Partner and the Company, and on the basis that the Partnership is treated as transparent for UK and Guernsey tax purposes and that the Partnership's business is an investment business and not a trade, no UK tax will be payable on either the General Partner's or the Company's shares of Partnership profit (save to the extent of any UK withholding tax on certain types of UK income such as interest).

3. DISTRIBUTION TO SHAREHOLDERS

The Company may pay a dividend at the discretion of the Board. Following the EGM in October 2013, each dividend paid by the Company will be in the form of scrip as a default, with a cash dividend alternative, under which Shareholders may elect to receive cash in place of new Shares. New Shares issued pursuant to a scrip dividend will be issued at the applicable NAV per Share. The scrip dividends are recognised as incurred where the dividend declaration allows for a cash alternative. See note 23 for details of the 2016 dividend.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2016

3. DISTRIBUTION TO SHAREHOLDERS (continued)

During the year ended 31 March 2016, the Company paid a dividend of £8,040,000 (31 March 2015: £7,620,000) relating to the year ended 31 March 2015 (31 March 2014). The dividend was comprised of £5,819,000 cash (31 March 2015: £5,464,000) and a scrip dividend of £2,221,000 (31 March 2015: £2,156,000).

4. INCOME

Income consists of investment income received from the Partnership.

During the year, income received from the Partnership amounted to £11,880,000 (31 March 2015: £10,972,000) of which £4,776,000 (31 March 2015: £4,422,000) remained receivable at 31 March 2016.

5. NET (LOSSES)/GAINS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The net (losses)/gains on financial assets at fair value through profit or loss arise from the Group's holding in the Partnership. The movement is driven by the following amounts within the financial statements of the Partnership.

	01.04.15 to 31.03.16 £'000	01.04.14 to 31.03.15 £'000
Investment income	1,302	2,207
Rebates and donations (note 6)	3,244	3,262
Expenses	(206)	(188)
Distributions (note 4)	(11,880)	(10,972)
Realised gains on financial assets at fair value through profit or loss	6,724	7,965
Realised losses on financial assets at fair value through profit or loss	(3,178)	(6,859)
Movement in unrealised gains on financial assets at fair value through profit or loss	29,966	56,332
Movement in unrealised losses on financial assets at fair value through profit or loss	(33,250)	(15,918)
(Losses)/gains on forward currency contracts	(66)	7,734
Gains on foreign currency	487	765
Net (losses)/gains on financial assets at fair value through profit or loss	(6,857)	44,328

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2016

6. REBATES AND DONATIONS

Substantially all investments made by the Partnership either (a) are not subject to any management or performance fees or (b) are made on the basis that the Group is effectively reimbursed the amount of any such fees by rebate, donation back to the Group or other arrangements. The Group has, however, made an investment in the Pioneer Fund, which is not made on a fee-free basis.

At the year end the uncrystallised performance fee rebates included as receivables within the Partnership's financial assets at fair value through profit or loss amounted to £100 (31 March 2015: £914,000).

During the year, rebates and donations earned by the Partnership amounted to £3,244,000 (31 March 2015: £3,262,000), of which £281,000 (31 March 2015: £289,000) remained receivable at 31 March 2016. Of the 33 (31 March 2015: 31) underlying funds in the Partnership's Portfolio Statement, 22 (31 March 2015: 21) of these underlying funds are invested in a fee free share class and the remaining 11 (31 March 2015: 10) apply rebates or donations.

7. CHARITABLE DONATIONS

In accordance with the Framework Agreement entered into between the Company and the ICR on 1 October 2012, the Group has an obligation to make a donation to charity, paid in arrears, of one-twelfth of 1% of the total NAV of the Company as at each month-end during the period, half of which is donated to the ICR and the other half to The BACIT Foundation. The BACIT Foundation grants those funds to charities named in a list proposed annually by The BACIT Foundation which includes the ICR, in proportions determined each year by Shareholders of the Company.

During the year, charitable donations amounted to £4,752,000 (31 March 2015: £4,719,000). The prior year included an additional donation of £300,000 to The BACIT Foundation to provide regulatory capital for BACIT (UK) Limited. As at 31 March 2016, £4,752,000 (31 March 2015: £4,419,000) remained payable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2016

8. ADMINISTRATION FEE

The Group's administrator is Northern Trust International Fund Administration Services (Guernsey) Limited (the "Administrator"). The Administrator is entitled to receive an annual fee of up to 6 basis points of the NAV of the Company, calculated monthly in arrears, subject to a minimum fee of £120,000 per annum.

Fees are reviewed on an annual basis. In addition, the Administrator and any of its delegates are also entitled to reimbursement of certain expenses incurred by them in connection with their duties.

No administration fees are charged to the Subsidiary.

During the year ended 31 March 2016, administration fees of £165,000 (31 March 2015: £162,000) were charged to the Group and £28,000 (31 March 2015: £54,000) remained payable at the year end.

9. MANAGEMENT EXPENSE CONTRIBUTION

The Group's investment manager is BACIT (UK) Limited (the "Investment Manager"). Operating expenses of the Investment Manager are covered by a Management Expense Contribution, payable by the Company to the Investment Manager equal to 0.19% of NAV per annum, payable in monthly instalments by reference to the most recent month-end NAV. The Group will still directly bear certain expenses ("Sundry Expense Contribution") of the Investment Manager up to an amount equal to two per cent. of the NAV of the prior year end.

During the year ended 31 March 2016, fees of £226,000 (31 March 2015: £Nil) were charged by the Investment Manager to the Group and £Nil (31 March 2015: £Nil) remained payable at the year end.

10. OTHER EXPENSES

	31.03.16	31.03.15
	£'000	£'000
Professional fees*	370	296
Legal fees	163	86
Group audit and tax fees	56	57
Investment Manager Sundry Expense Contribution (note 15)	47	13
Directors' insurance	26	25
General expenses	130	164
	792	641

* Included in professional fees above was a fee of £140,000 (31 March 2015: 55,000) paid to Martin Thomas. See note 15 for further details.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The financial assets at fair value through profit or loss represent the movement in the underlying investment in the Partnership during the year.

	31.03.16	31.03.15
	£'000	£'000
Cost of the Partnership's investments at the start of the year	380,977	358,244
Purchases during the year	63,450	91,089
Sales during the year	(58,986)	(63,317)
Return of capital	(575)	(2,391)
Reduction in investment (note 19)	-	(3,754)
Net realised gains on disposals during the year	3,546	1,106
Cost of the Partnership's investments at the end of the year	388,412	380,977
Net unrealised gains on investments at the end of the year	72,006	75,290
Other net current assets	11,876	22,884
Financial assets at fair value through profit or loss at the end of the year	472,294	479,151

12. TRADE AND OTHER RECEIVABLES

	31.03.16	31.03.15
	£'000	£'000
Investment income receivable (note 4)	4,776	4,422
Prepayments	19	16
	4,795	4,438

13. TRADE AND OTHER PAYABLES

	31.03.16	31.03.15
	£'000	£'000
Charitable donations payable (note 7)	4,752	4,419
Directors' fee payable (note 15)	19	25
Administration fee payable (note 8)	28	54
Audit fee payable	42	23
Other payables	44	27
	4,885	4,548

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

14. SHARE CAPITAL ACCOUNT

A. Authorised Share Capital
The Company is authorised to issue an unlimited number of shares, which may have a par value or no par value, as the Directors see fit. The shares can be issued as Ordinary Shares, C Shares or other such classes and in any currency at the discretion of the Board.

The Company is a closed-ended investment company with an unlimited life. The Ordinary Shares are not puttable instruments because redemption is conditional upon certain market conditions and/or Board approval. As such they are not required to be classified as debt under IAS 32 – "Financial Instruments: Disclosure and Presentation".

As the Company's Shares have no par value, the share price consists solely of share premium and the amounts received for issued shares are recorded in the Share Capital Account in accordance with The Companies (Guernsey) Law.

The Company's Articles provide that Shareholders will be entitled to vote on the discontinuation of the Company every five years. The vote will require more than 50% of the votes cast on the resolution to be in favour to require the Directors to formulate proposals, to be put to Shareholders within six months of such resolution being passed, for the reorganisation or reconstruction of the Company. A special resolution of the Shareholders is required to wind up the Company, requiring a 75% vote.

The Company also has the authority, subject to various terms as set out in its Articles and in accordance with The Companies (Guernsey) Law, 2008, to acquire up to 14.99% of the Shares in issue. The Company intends to renew this authority annually. However, the Directors have no current intention to utilise this authority.

Ordinary Shares of each class carry the right to receive all income of the Group attributable to the Ordinary Shares of such class and to participate in any distribution of such income made by the Group, pro-rata to the relative calculated NAV of each of the classes of Ordinary Shares and within each such class income shall be divided pari passu among the holders of Ordinary Shares of that class in proportion to the number of Ordinary Shares of such class held by them.

The Founder Share issued at the date of incorporation was redesignated, by special resolution dated 28 September 2012, as a Deferred Share and transferred to The BACIT Foundation. This non-participating non-redeemable Deferred Share has no other rights to assets or dividends, except to payment of £1 on the liquidation of the Company and carries a right to vote only if there are no other classes of voting share of the Company in issue.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

14. SHARE CAPITAL ACCOUNT (continued)

A. Authorised Share Capital (continued)

	Ordinary Shares 01.04.15 to 31.03.16 £'000	Ordinary Shares 01.04.14 to 31.03.15 £'000
Deferred Share (1 Share issued at £1)	-	-
Ordinary Share Capital		
Balance at the start of the year	403,987	401,831
Issued during the year	2,221	2,156
Balance at the end of the year	406,208	403,987

Ordinary Share Capital	Ordinary Shares 01.04.15 to 31.03.16 Shares	Ordinary Shares 01.04.14 to 31.03.15 Shares
Balance at the start of the year	382,867,127	380,974,677
Issued during the year	1,798,031	1,892,450
Balance at the end of the year	384,665,158	382,867,127

Ordinary Shares issued during the year ended 31 March 2016 (31 March 2015) relate to the 2015 (2014) dividend. Refer to note 3 for details.

B. Capital Reserves
Gains and losses recorded on the realisation of investments, realised exchange differences, unrealised gains and losses recorded on the revaluation of investments held at the year end and unrealised exchange differences of a capital nature are transferred to Capital Reserves.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2016

14. SHARE CAPITAL ACCOUNT (continued)

C. Basic and Diluted Earnings per Share

The calculations for the basic earnings per share attributable to the Ordinary Shares of the Group are based on the following data:

	01.04.15 to 31.03.16	**01.04.14 to 31.03.15**
Earnings for the purposes of earnings per share	(999,950)	49,678,043
Weighted average number of shares	383,977,387	382,053,114
Basic earnings per share	(0.26)p	13.00p

There is no potential for dilution therefore no diluted earnings per share is calculated.

15. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Directors are responsible for the determination of the investment policy of the Group and have overall responsibility for the Group's activities. The Group's investment portfolio is managed by the Investment Manager, BACIT (UK) Limited.

The Company has six non-executive directors. The Directors of the Company with the exception of Ms Cecil also serve as Directors of the General Partner. Mr Henderson is also a director of BACIT (UK) Limited and BACIT Discovery Limited.

For the year ended 31 March 2016, each Director was entitled to a fee of £20,000 per annum, except for the Chairman who was entitled to £30,000 per annum. With effect from 1 April 2016, the Chairman is entitled to a fee of £40,000 per annum, the Chairman of the Audit Committee is entitled to a fee of £30,000 per annum and the other Directors are each entitled to a fee of £25,000 per annum. Mr Tigue, Mr Henderson and Ms Cecil will continue to waive their right to receive their fees. For the Directors' interests in the Group please refer to the Directors' and Other Interests section of the Directors' Report. In addition, the investee funds may hold shares in companies related to the Directors.

Directors' fees for the year to 31 March 2016, including outstanding Directors' fees at the end of the year, are set out below.

	31.03.16 £'000	**31.03.15 £'000**
Directors' fees for the year	88	100
Payable at end of year	19	25

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2016

15. RELATED PARTY TRANSACTIONS (continued)

The Group may have underlying investments which, from time to time, include investments associated with members of the Board. In no case does the member have any direct ability to influence the investment policy of the Group's portfolio investments to make, hold or dispose of such investments.

In accordance with the Group's Articles of Incorporation, 50% of the Charitable Donations are made to The BACIT Foundation. The BACIT Foundation was incorporated in England and Wales on 17 May 2012 as a private company limited by guarantee, with exclusively charitable purposes and holds the Group's Deferred Share. The amount paid to The BACIT Foundation during year ended 31 March 2016, in respect of the year to 31 March 2015, was £2,210,000 (31 March 2015: in respect of the year to 31 March 2014, was £2,209,000).

The Company appointed BACIT (UK) Limited as its Alternative Investment Fund Manager, which has taken over the investment management activities previously carried out by the General Partner. BACIT (UK) Limited is a wholly owned subsidiary of The BACIT Foundation.

Following the Extraordinary General Meeting held on 11 December 2015, shareholders approved the change in expense arrangements of the Group and with effect from 1 January 2016 the amended Expenses Deed Agreement (the "Deed") entered into between the Company, General Partner and Farla Limited, a company controlled by Thomas Henderson was terminated.

Prior to 1 January 2016, Farla Limited provided office space and equipment for, and either paid directly or reimbursed the Group in respect of out-of-pocket expenses of the team managing the investment portfolio.

With effect from 1 January 2016, operating expenses of the Investment Manager, including those previously covered by the Deed, are covered by a Management Expense Contribution, payable by the Company to the Investment Manager equal to 0.19% of NAV per annum, payable in monthly instalments by reference to the most recent month-end NAV. The Group will still directly bear certain expenses ("Sundry Expense Contribution") of the Investment Manager up to an amount equal to two per cent. of the NAV of the prior year end.

Gravity Partners, a company controlled by Ms Cecil, receives a fee from the Investment Manager equal to 0.09% of NAV per annum, payable in monthly instalments in arrears by reference to the most recent month-end NAV, under a consultancy agreement with the Investment Manager.

During the year, £47,000 (31 March 2015: £13,000) of Sundry Expense Contribution (see note 10) was borne by the Company on behalf of BACIT (UK) Limited and £2,400 (31 March 2015: £1,000) remained payable as at 31 March 2016. Also included in Other Expenses (see note 10) were Professional fees of £140,000 (31 March 2015: £55,000) paid to Martin Thomas.

Significant agreements

Northern Trust International Fund Administration Services (Guernsey) Limited (the "Administrator") performs administrative duties to the Group. The Administrator is entitled to receive an annual fee of up to 6 basis points of the NAV of the Company, calculated monthly in arrears, subject to a minimum fee £120,000 per annum. Please refer to note 8.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2016

15. RELATED PARTY TRANSACTIONS (continued)

Significant agreements (continued)

Northern Trust (Guernsey) Limited serves as custodian to the Partnership. During the year ended 31 March 2016, custodian fees of £177,000 (31 March 2015: £169,000) were charged by Northern Trust (Guernsey) Limited to the Partnership and £30,000 (31 March 2015: £28,000) remained payable as at 31 March 2016.

16. OPERATING SEGMENTS

Through its investment in the Partnership, the Group has a highly diversified portfolio of investments and as at 31 March 2016, no (31 March 2015: none) single investment accounts for more than 7.7% of the Group's Net Assets.

The Board has considered the requirements of IFRS 8 'Operating Segments', and is of the view that the Group's activities form a single segment under the standard, being investments in a diversified portfolio of hedge, equity and long-term alternative investment funds across multiple asset classes. The Group's investments are managed on a global basis.

The Board, as a whole, has been determined as constituting the chief decision maker of the Group. The key measure of performance used by the Board to assess the Group's performance and to allocate resources is the total return based on the NAV per share, as calculated under IFRS.

The Group is part-domiciled in Guernsey. Entity wide disclosures are not necessary as the Group is engaged in a single segment of business, investing in hedge, equity and long-term alternative investment funds across multiple asset classes.

17. FINANCIAL INSTRUMENTS

In accordance with its investment objectives and policies, the Group holds financial instruments which at any one time may comprise the following:

- securities held in accordance with the investment objectives and policies;
- cash and short-term receivables and payables arising directly from operations; and
- derivative instruments including forward foreign currency contracts.

The financial instruments held by the Group are comprised principally of the investment in the Partnership.

Details of the Group's significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of its financial assets and liabilities are disclosed in note 1.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

17. FINANCIAL INSTRUMENTS (continued)

	31.03.16 Fair Value £'000	31.03.15 Fair Value £'000
Financial assets designated at fair value through profit or loss		
BACIT Investments LP Incorporated	472,294	479,151
Total financial assets designated at fair value through profit or loss	472,294	479,151
Other financial assets	4,836	4,461
Financial liabilities designated at fair value through profit or loss		
Other financial liabilities	(4,885)	(4,548)
Total net assets	472,245	479,064

The financial instruments held by the Partnership are comprised principally of hedge, equity, long-term alternative investment funds and cash.

The table below analyses the carrying amounts of the financial assets and liabilities held by the Partnership by category as defined in IAS 39 – "Financial Instruments: Recognition and Measurement".

	31.03.16 Fair Value £'000	31.03.15 Fair Value £'000
Financial assets designated at fair value through profit or loss		
Listed investments	109,310	120,567
Unlisted investments	351,108	335,700
Unrealised gains on open forward foreign currency contracts	4,049	665
Total financial assets designated at fair value through profit or loss	464,467	456,932
Other financial assets	12,639	26,675

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2016

17. FINANCIAL INSTRUMENTS (continued)

	31.03.16 Fair Value £'000	31.03.15 Fair Value £'000
Financial liabilities designated at fair value through profit or loss		
Other financial liabilities	(4,812)	(4,456)
Total net assets of the Partnership	472,294	479,151

18. FINANCIAL RISK MANAGEMENT AND ASSOCIATED RISKS

The Group is exposed to a variety of financial risks as a result of its activities. These risks include market risk (including market price risk, foreign currency risk and interest rate risk), credit risk and liquidity risk. These risks have existed throughout the year and the Group's policies for managing them are summarised below.

The risks below do not reflect the risks of the underlying investment portfolios of the financial assets at fair value through profit or loss ("investment entities") in the Partnership's Statement of Financial Position. The Group has very significant indirect exposure to a number of risks through the underlying portfolios of the investment entities. However this is the intention of the Group in order to achieve capital gains. There is no sensible mechanism to "control" these risks without considerably prejudicing return objectives.

Due to the lack of transparency in many of the Partnership's underlying assets it is not possible to quantify or hedge the impact of these risks on the portfolio as each investment entity may have complex and changing risk dynamics that are not easily observable or predictable. These risks will include extensive interest, foreign exchange and other market risks which are magnified by significant gearing in many cases, resulting in increased liquidity and return risk.

Market risk

Market risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. The Group's activities expose it primarily to the market risks of changes in market prices, foreign currency exchange rates and interest rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2016

18. FINANCIAL RISK MANAGEMENT AND ASSOCIATED RISKS (continued)

Market risk (continued)

Market price risk

Market price risk arises mainly from the uncertainty about future prices of the financial instruments held by the Partnership's underlying funds. It represents the potential gain or loss the Group may suffer through holding market positions in the face of price movements.

Market risk encompasses the potential for both gains and losses and is affected by three main components: changes in actual market prices, actual levels of and changes in interest rates and foreign currency movements. Interest rate and foreign currency movement risks are covered elsewhere in this note. The overall market risk management of each of the holdings of the Partnership is primarily driven by their respective investment objectives. The Investment Manager assesses the risk in the Partnership's portfolio by monitoring exposures, liquidity, and concentrations of the underlying funds' investments, in the context of the historic and current volatility of their asset classes, and the portfolio manager's risk appetite.

The maximum risk resulting from financial instruments is generally determined by the fair value of underlying funds and the fair value of the committed funds of underlying Limited Partners. The overall market exposure as at 31 March 2016 is shown in the Consolidated Statement of Financial Position.

The financial instruments are sensitive to market price risk; any increase or decrease in market price will have an equivalent movement in market value of the financial instruments.

Foreign currency risk

Foreign currency risk arises from fluctuations in the value of a foreign currency against a reporting currency. It represents the potential loss or gain the Group may suffer through holding foreign currency assets in the face of foreign exchange movements. The Group's treatment of currency transactions is set out in note 1 to the Consolidated Financial Statements under "Translation of foreign currency" and "Forward currency contracts". There is no material currency risk at the Group level, however currency risk exists in the Partnership's underlying investments, the analysis of which is not feasible.

The Group's Shares are denominated in Sterling, its operating expenses are incurred in Sterling, and its investment in the Partnership is denominated in Sterling. The investments of the Partnership are denominated in US Dollars, Euros, Swedish Krona and Sterling. The Group's functional and presentation currency is Sterling; hence the Consolidated Statement of Financial Position may be significantly affected by movements in the exchange rates between the foreign currencies previously mentioned. The Investment Manager may manage exposure to Euro and US Dollar movements by using forward foreign currency contracts to hedge exposure to investments in Euro and US Dollar denominated share classes. As at 31 March 2016, the Partnership had two open forward foreign currency contracts (31 March 2015: one).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

18. FINANCIAL RISK MANAGEMENT AND ASSOCIATED RISKS (continued)

Market risk (continued)

Foreign currency risk (continued)

	Sell	Buy	Mark to Market Equivalent	31.03.16 Unrealised (loss)/gain
	000	£'000	£'000	£'000
One Sterling/Euro Forward Currency Contract				
Settlement date 30 June 2016	€ 85,000	67,507	67,547	(40)
One Sterling/USD Forward Currency Contract				
Settlement date 2 March 2017	$175,000	125,543	121,454	4,089
Total unrealised gains as at 31 March 2016				4,049

	Sell	Buy	Mark to Market Equivalent	31.03.15 Unrealised gain
	000	£'000	£'000	£'000
One Sterling/Euro Forward Currency Contract				
Settlement date 29 May 2015	€ 76,000	55,710	55,045	665
Total unrealised gains as at 31 March 2015				665

The following table presents the Partnership's assets and liabilities in their respective currencies, converted into the Group's functional currency

	USD	EUR	GBP	SEK	31.03.16 Total
	£'000	£'000	£'000	£'000	£'000
Financial assets at fair value through profit or loss	234,612	65,112	156,766	3,928	460,418
Bank and cash deposits	3,241	1,363	7,754	-	12,358
Trade and other receivables	229	11	41	-	281
Unrealised (losses)/gains on forward currency contracts	(121,454)	(67,547)	193,050	-	4,049
Trade and other payables	-	-	(36)	-	(36)
Distribution payable	-	-	(4,776)	-	(4,776)
	116,628	(1,061)	352,799	3,928	472,294

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

18. FINANCIAL RISK MANAGEMENT AND ASSOCIATED RISKS (continued)

Market risk (continued)

Foreign currency risk (continued)
The following table presents the Partnership's assets and liabilities in their respective currencies, converted into the Group's functional currency.

	USD £'000	EUR £'000	GBP £'000	SEK £'000	31.03.15 Total £'000
Financial assets at fair value through profit or loss	261,271	58,306	136,690	-	456,267
Bank and cash deposits	2,769	147	19,523	-	22,439
Trade and other receivables	242	11	3,983	-	4,236
Unrealised (losses)/gains on forward currency contracts	-	(55,045)	55,710	-	665
Trade and other payables	-	-	(34)	-	(34)
Distribution payable	-	-	(4,422)	-	(4,422)
	264,282	3,419	211,450	-	479,151

Foreign currency sensitivity analysis
The table below details the sensitivity of the Partnership's fair value to a 10% change in the Sterling exchange rate against the US Dollar, Euro and Swedish Krona currencies with all other variables held constant. The resulting impact on the NAV of the Group is detailed in the table below. The sensitivity analysis percentage represents the Investment Manager's assessment, based on the foreign exchange rate movements over the relevant period and of a reasonably possible change in foreign exchange rates.

	31.03.16 USD £'000	31.03.16 EUR £'000	31.03.16 SEK £'000	31.03.15 USD £'000	31.03.15 EUR £'000	31.03.15 SEK £'000
10% increase	(10,603)	97	(357)	(24,026)	(311)	-
10% decrease	12,958	(118)	436	29,365	379	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2016

18. FINANCIAL RISK MANAGEMENT AND ASSOCIATED RISKS (continued)

Market risk (continued)

Interest rate risk

Interest rate risk represents the uncertainty of investment return due to changes in the market rates of interest. Interest receivable on bank deposits or payable on bank overdraft is affected by fluctuations in interest rates. All cash balances are at variable rates. Interest rate risk may exist in the Partnership's underlying investments, the analysis of which has not been possible.

The Group is not exposed to significant interest rate risk on cash assets as interest from bank balances is minimal due to low interest rates. Any excess cash and cash equivalents of the Group are invested at short-term market interest rates.

The Group's continuing position in relation to interest rate risk is monitored on an ongoing basis by the Investment Manager.

Interest rate sensitivity

No material impact on the Consolidated Statement of Comprehensive Income or Consolidated Statement of Financial Position is expected due to the immateriality of interest rate risk at the year end.

Credit Risk

Credit risk is the risk that an issuer or counterparty will be unable to meet a commitment that it has entered into with the Group. Credit risk in relation to securities transactions awaiting settlement is managed through the rules and procedures of the relevant stock exchanges. In particular settlements for transactions in listed securities are effected by the Custodian on a delivery against payment or receipt against payment basis. Transactions in unlisted securities are effected against binding subscription agreements. Credit risk may exist in the Partnership's underlying investments, the analysis of which has not been possible.

The principal credit risks for the Group are in relation to deposits with banks. Northern Trust (Guernsey) Limited ("NTGL") acts as the principal banker to the Group, and as custodian of its assets. The securities held by NTGL as Custodian are held in trust and are registered in the name of BACIT Investments LP Incorporated. NTGL is a wholly owned subsidiary of The Northern Trust Corporation ("TNTC"). TNTC is publicly traded and a constituent of the S&P 500. As at 31 March 2016, TNTC has a credit rating of A+ (31 March 2015: A+) from Standard & Poor's and A2 (31 March 2015: A2) from Moody's. The credit risk associated with debtors is limited to any unrealised gains on open forward foreign currency contracts, as detailed above, and other receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

18. FINANCIAL RISK MANAGEMENT AND ASSOCIATED RISKS (continued)

Credit Risk (continued)

Credit risk analysis

The Group's maximum credit exposure is limited to the carrying amount of financial assets recognised as at the Consolidated Statement of Financial Position date, as summarised below:

	31.03.16 £'000	31.03.15 £'000
Cash and cash equivalents	41	23
Trade and other receivables	4,795	4,438
	4,836	4,461

Liquidity risk

Liquidity risk is the risk that the Group will encounter in realising assets or otherwise raising funds to meet financial commitments in a reasonable timeframe or at a reasonable price.

The Group is exposed to the possibility that it may be unable to liquidate its assets as it otherwise deems advisable as the Partnership's underlying funds or their managers may require minimum holding periods and restrictions on redemptions. Further, there may be suspension or delays in payment of redemption proceeds by underlying funds or holdbacks of redemption proceeds otherwise payable to the Group until after the applicable underlying fund's financial records have been audited. Therefore, the Group may hold receivables that may not be paid to the Group for a significant period of time, may not accrue any interest and ultimately may not be paid to the Group. As at 31 March 2016, no discretionary restrictions existed in any of the Group's underlying investments (31 March 2015: none).

The table below details the Group's liquidity analysis for its financial assets and liabilities. The table has been drawn up based on the undiscounted net cash flows on the financial assets and liabilities that settle on a net basis and the undiscounted gross cash flows on those financial assets and liabilities that require gross settlement.

	Within 1 month £'000	1 to 3 months £'000	3 to 12 months £'000	Greater than 12 months £'000	31.03.16* Total £'000
Financial assets at fair value through profit or loss	123,103	40,882	225,433	82,876	472,294
Cash and cash equivalents	41	-	-	-	41
Trade and other receivables	4,795	-	-	-	4,795
Trade and other payables	(133)	-	(4,752)	-	(4,885)
Total	127,806	40,882	220,681	82,876	472,245
Percentage	27.06%	8.66%	46.73%	17.55%	100.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

18. FINANCIAL RISK MANAGEMENT AND ASSOCIATED RISKS (continued)

Liquidity risk (continued)

	Within 1 month £'000	1 to 3 months £'000	3 to 12 months £'000	Greater than 12 months £'000	31.03.15* Total £'000
Financial assets at fair value through profit or loss	143,537	165,012	131,226	39,376	479,151
Cash and cash equivalents	23	-	-	-	23
Trade and other receivables	4,438	-	-	-	4,438
Trade and other payables	(129)	-	(4,419)	-	(4,548)
Total	147,869	165,012	126,807	39,376	479,064
Percentage	30.87%	34.44%	26.47%	8.22%	100.00%

**The tables on the previous page and above reflect the anticipated cash flows assuming notice was given to all underlying funds as at 31 March 2016 (31 March 2015). They include a provision for "audit hold back" which most hedge funds apply to full redemptions and any other known restrictions the managers of the underlying funds may have placed on redemptions. Where there is currently no firm indication from the underlying manager on the expected timing of the receipt of redemption proceeds, the relevant amount is included in the "greater than 12 months" category. The cash flow projections are therefore conservative estimates.*

19. FAIR VALUE MEASUREMENT

IFRS 13 requires the Group to establish a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under IFRS 13 are set as follows:

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) or other market corroborated inputs; and

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

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 this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement requires judgement, considering factors specific to the asset or liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

19. FAIR VALUE MEASUREMENT (continued)

The determination of what constitutes 'observable' requires significant judgement by the Group. The Group considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, and provided by independent sources that are actively involved in the relevant market.

The following table presents the Group's financial assets and liabilities by level within the valuation hierarchy as of 31 March 2016:

				31.03.16
	Level 1	**Level 2**	**Level 3**	**Total**
Assets	**£'000**	**£'000**	**£'000**	**£'000**
Financial assets at fair value through profit or loss:				
BACIT Investments LP Incorporated	-	472,294	-	472,294
Total assets	-	472,294	-	472,294

				31.03.15
	Level 1	**Level 2**	**Level 3**	**Total**
Assets	**£'000**	**£'000**	**£'000**	**£'000**
Financial assets at fair value through profit or loss:				
BACIT Investments LP Incorporated	-	479,151	-	479,151
Total assets	-	479,151	-	479,151

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

19. FAIR VALUE MEASUREMENT (Continued)

As noted below, 8.0% of the Partnership's fair value measurements consist of positions residing in Level 3 of the fair value hierarchy ("the Level 3 investments"). IFRS 13 requires the fair value measurement of the Partnership to be classified in the same level of the fair value hierarchy as the lowest level input that is significant to the overall valuation of the Partnership. Given their quantum, the Directors do not consider the Level 3 investments to be significant to the overall fair value of the investment. As such, and in accordance with IFRS 13, the Partnership investment has been disclosed within Level 2 in the fair value hierarchy. The directors have provided additional information in respect of the assets and liabilities of the Partnership below.

The following table presents the Partnership's financial assets and liabilities by level within the valuation hierarchy as of 31 March 2016:

Assets	Level 1 £'000	Level 2 £'000	Level 3 £'000	31.03.16 Total £'000
Financial assets at fair value through profit or loss:				
Listed investments	104,359	4,951	-	109,310
Unlisted investments	-	313,859	-	313,859
Private equity investments	-	-	27,643	27,643
Oncology related investments	-	-	9,606	9,606
Unrealised gains on open forward foreign currency contracts	-	4,049	-	4,049
Total assets	104,359	322,859	37,249	464,467

Assets	Level 1 £'000	Level 2 £'000	Level 3 £'000	31.03.15 Total £'000
Financial assets at fair value through profit or loss:				
Listed investments	116,029	4,538	-	120,567
Unlisted investments	-	320,915	-	320,915
Private equity investments	-	-	12,688	12,688
Oncology related investments	-	-	2,097	2,097
Unrealised gains on open forward foreign currency contracts	-	665	-	665
Total assets	116,029	326,118	14,785	456,932

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

19. FAIR VALUE MEASUREMENT (continued)

Assets classified as Level 2 investments are underlying funds fair-valued using the latest available NAV of each fund as reported by each fund's independent administrator, which are redeemable by the Group subject to necessary notice being given. Included within the Level 2 investments above are investments where the redemption notice period is greater than 90 days. Such investments have been classified as Level 2 because their value is based on observable inputs. The Group's liquidity analysis is detailed in note 18.

Assets classified as Level 3 investments are underlying Limited Partnerships which are not traded or available for redemption. The fair value of these assets is derived from quarterly statements provided by each Limited Partnership's independent administrator.

There were no transfers between levels during the year (31 March 2015: none).

The following table presents the movements in Level 3 investments for the year ended 31 March 2016:

	Oncology related investments	Private equity investments	31.03.16 Total	31.03.15 Total
	£'000	£'000	£'000	£'000
Opening Balance	2,097	12,688	14,785	13,326
Purchases	2,748	11,415	14,163	6,977
Reduction in investment*	-	-	-	(3,754)
Return of capital	-	(575)	(575)	(2,391)
Gain on financial assets at fair value through profit or loss	4,761	4,115	8,876	627
	9,606	27,643	37,249	14,785

*Due to accepting new investors, Infracapital Partners (NT) II LLP issued the Partnership with equalisation notices totalling £Nil (31 March 2015: £3,754,000).

The net gain for the year included in the Consolidated Statement of Comprehensive Income in respect of Level 3 investments held at the year end amounted to £8,876,000 (31 March 2015: £627,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

19. FAIR VALUE MEASUREMENT (continued)

The following table summarises the valuation methodologies used for the Group's investments categorised in Level 3 as of 31 March 2016:

Security description	Fair Value £'000	Valuation methodology	Unobservable inputs	Ranges
Infracapital Partners (NT) II LP	11,718	NAV	Valuation of underlying investments*	N/A
Permira V LP2	11,997	NAV	Valuation of underlying investments*	N/A
BACIT Discovery Limited	9,606	NAV	Valuation of underlying investments*	N/A
Bridge 140 AB	3,928	Directors' valuation	Valuation of underlying investments*	N/A

*****underlying investments held considered highly illiquid

Infracapital Partners (NT) II LP, Permira V LP 2, BACIT Discovery Limited and Bridge 140 AB value their investments in accordance with the International Private Equity and Venture Capital ("IPEVC") guidelines. In line with the investment methodology outlined in the IPEVC guidance, new investments are valued equivalent to the cost of the investments. The Group does not have transparency over the inputs of this valuation.

The investment in the Pioneer Fund has been made through BACIT Discovery Limited. The Group has committed up to £20,000,000 to the Pioneer Fund. The Pioneer Fund's investment policy is to invest in projects and intellectual property assets with a life science or medical technologies focus related to oncology, including therapeutics and diagnostics. This commitment will be called by the Pioneer Fund as and when required to fund investments. Investment in Pioneer Fund is valued at fair value in accordance with IPEVC guidelines.

On 25 May 2016, the agreement which the Group had entered into with Bridge 140 AB, a limited liability company incorporated under the laws of Sweden, was terminated. The value of the investment is assessed by the Directors based on the amount of cash returned to the Group after the year end and underlying investments which are retained at cost.

20. CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital include the safeguard of the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group does not have externally-imposed capital requirements. See note 21 for financial commitments of the Group in respect of the underlying investments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2016

20. CAPITAL RISK MANAGEMENT (continued)

The Group may incur indebtedness for the purpose of financing Share repurchases or redemptions, making investments (including as bridge finance for investment obligations), satisfying working capital requirements or to assist in payment of the Charitable Donation, up to a maximum of 20% of the NAV at the time of incurrence. While the Group has no intention to utilise gearing to assist with the acquisition of the Group's initial investments, it may do so for investment purposes in the future if, at the time of incurrence, it considers it prudent and desirable to do so in light of prevailing market conditions. There is no limitation on indebtedness being incurred at the level of the Partnership's underlying investments.

21. COMMITMENTS

The Group had the following commitments through the Partnership as at 31 March 2016:

Security description	Currency	Total Commitment in 000's	Drawn Commitment in 000's	31.03.16 Undrawn Commitment in 000's
Infracapital Partners (NT) II LP	Sterling	£25,000	£8,343*	£16,657
Permira V LP 2	Euro	€20,000	£10,161	£5,352
BACIT Discovery Limited	Sterling	£20,000	£4,845	£15,155
Bridge 140 AB	Swedish Krona	SEK 130,000	£4,794	£5,849

Security description	Currency	Total Commitment in 000's	Drawn Commitment in 000's	31.03.15 Undrawn Commitment in 000's
Infracapital Partners (NT) II LP	Sterling	£25,000	£6,318*	£18,682
Permira V LP 2	Euro	€20,000	£5,564	£9,456
BACIT Discovery Limited	Sterling	£20,000	£2,097	£17,903

* As disclosed in Note 19, due to accepting new investors, Infracapital Partners (NT) II LLP issued the Company with equalisation notices totalling £3,754,000 in the prior period. The £8,343,000 (31 March 2015: £6,318,000) of drawn commitments includes amounts totalling £1,449,000 (31 March 2015: £874,000) of return of capital to the Company, which are not able to be redrawn as part of any future capital call. As such these have been included within the total balance for the Drawn Commitment.

Prior to the change in investment policy on 15 December 2014, the Group invested in one ICR Project, being a project to finance a programme of research to develop a CHK1 inhibitor (the "CHK1 Project") through BACIT CHK1 Investment Limited. The Group's fellow investors in the CHK1 Project were Sareum Limited, a drug discovery company, and the Pioneer Fund.

Following the implementation of the revised investment policy, the Group became an investor in the Pioneer Fund and, in doing so, contributed its existing interest in the CHK1 Project to the Pioneer Fund. The investment in the Pioneer Fund has been made through BACIT Discovery Limited (formerly BACIT CHK1 Investment Limited).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2016

21. COMMITMENTS (continued)

The Partnership has committed up to £20,000,000 to the Pioneer Fund. The Pioneer Fund's investment policy is to invest in projects and intellectual property assets with a life science or medical technologies focus related to oncology, including therapeutics and diagnostics. This commitment will be called by the Pioneer Fund as and when required to fund investments. The Partnership will fund future calls in the Pioneer Fund through available cash and the realisation of investments as necessary. The Group does not have transparency over the inputs of this valuation.

There were no contingent liabilities as at the Consolidated Statement of Financial Position date.

The Group intends to invest up to 1% of NAV each year to acquire interests in drug development and medical innovation projects undertaken by the ICR or its subsidiaries which have the potential for commercial development and application (''ICR Projects''). To the extent that less than 1% of NAV is allocated to ICR Projects in any given year, the amount available for investment in such projects as and when appropriate opportunities become available in subsequent years may be increased.

The Group may invest in the Pioneer Fund as if it were an ICR Project, save that the Group may make up to a maximum capital commitment of £20 million (including the contribution of its investment in the CHK1 Project).

The amount that the Group may contribute to drawdowns of the Pioneer Fund in any one calendar year will not be subject to the one per cent. of net asset value cap otherwise applicable to investments in ICR Projects.

In the event that drawdowns by the Pioneer Fund were to exceed this cap in any one calendar year, the Group would not make any new commitments to or investments in any ICR Project unless and until the cumulative amount that has been invested by the Group in the Pioneer Fund and in other ICR Projects has not exceeded an amount equal to the aggregate of one per cent. of the Company's net asset value for each year of the Company's life. The Group currently has invested £4,845,000 (31 March 2015: £2,097,000) in BACIT Discovery Limited with a further £8,499,000 (31 March 2015: £6,496,000) available at 31 March 2016 to invest in ICR Projects.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2016

22. RECONCILIATION OF PUBLISHED NAV TO ACCOUNTING NAV PREPARED UNDER IFRS

	31 March 2016 NAV £'000	31 March 2016 NAV per share (£)
Net assets reported to the London Stock Exchange	470,414	1.22
Adjustment in value of financial assets at fair value through profit and loss:		
Increase in valuation of BACIT Discovery Limited	1,474	0.01
Increase in valuation of Permira V LP 2	357	0.00
Net assets per Financial Statements	472,245	1.23

The increase in valuation in each of BACIT Discovery Limited and Permira V LP 2 is due to the receipt of more up-to-date valuation statements after the 31 March 2016 NAV had been published.

The NAV per share is calculated by dividing the NAV attributable to holders of Ordinary Shares by the number of Ordinary Shares in Issue. As at 31 March 2016 this was 384,665,158.

23. SUBSEQUENT EVENTS

These Consolidated Financial Statements were approved for issuance by the Board on 4 July 2016. Subsequent events have been evaluated until this date.

A scrip dividend for the year ended 31 March 2016 of 2.2 pence per Ordinary share will be paid on 19 August 2016 to those Shareholders on the register of members of the Company as at 15 July 2016.

No significant post year end events have occurred in respect of the Group that are considered material to the understanding of these audited Consolidated Financial Statements.

Appendix – Charity List

The BACIT Foundation charity roster for the year ended 31 March 2016 is set out below:

Alzheimer's Research UK
Alzheimer's Research UK is a dementia research charity specialising in finding preventions, causes, treatments and a cure for dementia by funding world-class, pioneering research at leading universities. (www.alzheimersresearchuk.org)

The Alzheimer's Society
The Alzheimer's Society is a support and research charity for people with dementia, their families and carers. Its mission is to change the face of dementia research; demonstrate best practice in dementia care and support; provide the best advice and support to anyone dealing with dementia and influence government and society to enable those affected by dementia to live as they wish to live. (www.alzheimers.org.uk)

Beating Bowel Cancer
Beating Bowel Cancer is dedicated to saving lives by working in partnership with individuals, local communities, clinical communities and government to improve public awareness of bowel cancer and to increase the rate of early diagnosis. (www.beatingbowelcancer.org)

Butterfly Thyroid Cancer Trust
Founded in 2003, Butterfly Thyroid Cancer Trust is the first registered charity in the UK dedicated solely to supporting people affected by thyroid cancer. Working alongside an expert medical multi-disciplinary team and Cancer Research UK, they can ensure access to the very best support for their members. (www.butterfly.org.uk)

Child Bereavement UK
Child Bereavement UK supports families and educates professionals when a baby or child of any age dies or is dying, and when a child is facing bereavement. The charity provides ongoing professional support to bereaved children and families and also supports the individuals and organisations that become involved with these families. (www.childbereavement.org.uk)

Cure Leukaemia
Cure Leukaemia was established in 2003 to allow patients with blood cancer to access new treatments. It supports the Centre for Clinical Haematology at the Queen Elizabeth Hospital in Birmingham – one of the world's leading drug development and transplant centres – by raising money to fund specialist nurses who administer trials of potentially life-saving drugs to leukaemia patients across the West Midlands. The combination of the unique demographic of the region and the network of well-supported nurses enables the charity to leverage millions of pounds of pioneering drugs and gives patients access to treatments not yet available on the NHS. (www.cureleukaemia.co.uk)

Downside Up
Downside Up provides support and advice for families raising children with Down Syndrome, develops innovative children's training and parents' support methods, disseminates knowledge and experience among Russian professionals and society, and works towards raising public awareness about Down Syndrome with the aim of changing attitudes. (www.en.downsideup.org)

The Egmont Trust
The Egmont Trust is dedicated to improving the lives of children living with HIV and AIDS in sub-Saharan Africa through one smart, cost-effective project at a time. (www.egmonttrust.org)

Appendix – Charity List (continued)

The Institute of Cancer Research
The Institute of Cancer Research, London, is one of the world's most influential cancer research institutes, with an outstanding record of achievement dating back more than 100 years. Today, the ICR is ranked as the UK's leading academic research centre, and leads the world in isolating cancer-related genes and discovering new targeted drugs for personalised cancer treatment. The ICR employs leading scientists from over 50 countries around the world and since 2005 alone, 16 drug development candidates have been discovered based on ICR research, 6 of which have progressed into phase 1 clinical trials. The ICR has charitable status and relies on support from partner organisations, charities and donors to fund its research and innovation. (www.icr.ac.uk)

The James Wentworth-Stanley Memorial Fund
The James Wentworth-Stanley Memorial Fund was set up by James's parents to help raise awareness of anxiety, depression and suicide among young people and to tackle the terrible and shocking statistic that suicide is the second largest cause of death amongst young men in the UK. (www.jwsmf.org)

JDRF
JDRF (formerly known as the Juvenile Diabetes Research Foundation) is a charitable organization dedicated to funding type 1 diabetes research. JDRF's stated mission is to improve the lives of all people affected by type 1 diabetes by accelerating progress on the most promising opportunities for curing, better treating, and preventing type 1 diabetes. (www.jdrf.org.uk)

The Louis Dundas Centre for Children's Palliative Care
The Louis Dundas Centre for Children's Palliative Care is intended to be a world-class centre of research, teaching and practice in palliative care for children and young people. (www.gosh.org/louis-dundas-centre)

Maggie's
Maggie's is about empowering people to live with, through and beyond cancer by bringing together professional help, communities of support and building design to create exceptional centres for cancer care. Maggie's runs centres where people are welcome at any time, from having just being diagnosed, or undergoing treatment, to post-treatment, recurrence, end of life or in bereavement. (www.maggiescentres.org)

Marie Curie
Marie Curie is for people living with any terminal illness, and their families. They offer expert care, guidance and support to help them get the most from the time they have left. Their nurses work night and day, in people's homes across the UK, providing hands-on care and vital emotional support. Their hospices offer specialist round-the-clock care. Marie Curie also support people throughout their illness by giving practical information, support from trained volunteers and being there when someone wants to talk. (www.mariecurie.org.uk)

NSPCC
The NSPCC was founded in 1884. Its vision is still to end cruelty to children in the UK. The NSPCC protects children across the UK through a wide range of services for both children and adults, including national helplines and local projects. (www.nspcc.org.uk)

Appendix – Charity List (continued)

The Rwanda Hope Foundation

The Rwanda Hope Foundation (RHF) represents a new approach to fighting poverty. Through enterprise education programmes and a revolving debt/equity fund, RHF helps local Rwandan entrepreneurs and social entrepreneurs to grow their SMEs. Donations to RHF (www.rwandahopefoundation.co.uk)) are made to Prism the Gift Fund for onward transmission by it to RHF. (www.prismthegiftfund.co.uk)

Scope

Scope campaigns for the full inclusion and equal participation of disabled people in society. It also operates support services such as schools, a college, residential care, training, short breaks and a helpline providing information and advice on disability. (www.scope.org.uk)

SSAFA

SSAFA is one of the UK's leading armed forces charities. It provides practical, financial and emotional support to anyone who is currently serving or has served in the Army, Navy or RAF, and their families, and has been running for over 125 years. (www.ssafa.org.uk)

Supporting Wounded Veterans (Skiing with Heroes)

Supporting Wounded Veterans' aim is autonomy and independence, employment and meaningful occupation, for wounded, mainly ex Iraq and Afghanistan, campaign veterans, via skihabilitation, mentoring, a specific pain management programme in partnership with King Edward VII hospital in London, and with support into employment. (www.skiingwithheroes.com)

Women for Women International

Women for Women International works with socially excluded women in eight countries where war and conflict have devastated lives and communities. (www.womenforwomen.org.uk)