

ICF Debt Pool LLP

Registered Number: OC348514

Annual Report and Financial Statements

September 30, 2023

(expressed in US dollars)

ICF Debt Pool LLP

Registered Number: OC348514

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Members

The members of ICF Debt Pool LLP (the “Partnership”) from incorporation on September 10, 2009 and up to the date of this report, acting as trustees of the PIDG Trust, are:

Minimax Ltd.

KfW and 9215-6975 Quebec Inc. became members on December 8, 2009.

Multiconsult Trustees Ltd, was a member from the incorporation date, resigned as member on November 30, 2021 and IQ EQ Trustees (Mauritius) Limited (acting as trustee of the PIDG Trust) became a member on November 30, 2021.

SG Hambros Trust Company Ltd, was a member from the incorporation date, resigned as member on January 31, 2019 and SG Kleinwort Hambros Trust Company (UK) Ltd (acting as trustee of the PIDG Trust) became a member on January 31, 2019 — designated member.

These members were in office during the year and up to the date of signing of the financial statements.

Board of directors

The responsibility for overall direction, supervision and management of the Partnership is delegated by the Members to the Board.

Lars Oermann resigned as a director effective July 14, 2023, Henrik Niehues was director effective July 14, 2023, and Andrew Bainbridge was reappointed as a director effective July 6, 2021. Henrik Niehues and Andrew Bainbridge remained as directors up to the date of signing of the financial statements.

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List of advisors

Independent Auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London SE1 2RT United Kingdom
Banker	Toronto-Dominion Bank 100 Wellington Street West 6th Floor Toronto, Ontario Canada M5K 1A2
Registered Office	10th Floor 6 Bevis Marks London EC3A 7BA United Kingdom
Manager and Administrator	Cordiant Capital Inc. 1002 Sherbrooke Street West Suite 2800 Montréal, Quebec H3A 3L6

ICF Debt Pool LLP

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Members' Report

The members present their report and the financial statements for the year ended September 30, 2023.

Incorporation and commencement

ICF Debt Pool LLP was incorporated on September 10, 2009 and is expected to be dissolved on December 31, 2028.

Principal activities, business review and results

The Partnership is a facility established by the Private Infrastructure Development Group (PIDG), a coalition of public donors mobilising private sector investment to assist developing countries to provide infrastructure vital to boost their economic development and combat poverty.

At inception, the Partnership had a 500,000,000 euro commitment from the German institution KfW, acting on behalf of the Government of the Federal Republic of Germany, and US\$10,000,000 funding from PIDG Trust using funds provided by KfW.

The investment activities of the Partnership consist primarily of parallel financing of projects presented by originating International Financial Institutions. The Partnership may also undertake other business with the unanimous consent of members. The Partnership is managed and administered by Cordiant Capital Inc.

The financial statements of the Partnership include only the assets, liabilities, revenues and expenses of the Partnership, and do not include the other assets, liabilities, revenues and expenses of the members. No provision for income taxes has been made in these financial statements, since income is taxable only in the hands of the members.

The key performance indicators considered by the members for an understanding of the development and performance of the business are the operating results, the loan commitments and the allowance for credit losses.

The Partnership is in a net current liability position as at September 30, 2023, and the members believe the use of the going concern basis of accounting in the preparation of the financial statements is appropriate given future cash flows from contractual obligations. In addition, the members have begun discussions with lenders to improve the financial position of the Partnership.

The Partnership had an operating profit for the year of US\$13,375,805 (2022 – US\$6,395,138). The current year financial performance was affected by reversal of allowance for credit losses of US\$11,875,815 (2022 – allowance for credit losses of US\$2,732,466). As at September 30, 2023, disbursed loans amounted to US\$75,453,888 (2022 – US\$103,407,879), and commitments represented nil (2022 – nil). The future development, performance and position of the Partnership are affected by the ongoing performance of the underlying infrastructure projects for which loan investments have been made to date. The members expect the Partnership to continue to assist developing countries to provide infrastructure vital to boost their economic development and combat poverty.

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Members' Report (continued)

Results and allocation to members

The results for the year are shown in the statement of comprehensive income. Profits, if any, are shared among the members as governed by the amended and restated Limited Liability Partnership deed dated December 8, 2009.

Principal risks and uncertainties

The risks and uncertainties faced by the Partnership are those inherent within the financial services industry, and primarily include:

- Credit risk – exposed to counterparties not fulfilling their obligations;
- Market risk – subject to market fluctuations and general economic conditions, specifically interest rate risk;
- Liquidity risk – failing to meet cash requirements necessary to fund obligations;
- Operational risk – incurring losses resulting from inadequate or failed internal and external processes, systems and human error or from external events; and
- Regulatory risk – subject to the effects of changes in the laws, regulations, policies and interpretations and any accounting standards in the markets in which it operates.

Policy for members' drawings, subscriptions and repayments of members' capital

Policies for members' drawings, subscriptions and repayments of members' capital are governed by the Limited Liability Partnership deed.

Additional contributions in equity by members to the Partnership were permitted until December 8, 2012.

No member is entitled to be paid interest in respect of its contributions in equity. A member is not entitled to the return of any part of its contribution in equity. Each member shall be entitled to withdraw its share in the net profit of the Partnership at the close of each financial year-end. No new members may be admitted to the Partnership after December 8, 2012.

In summary, all net operating profits or losses are allocated among the members in proportion to their respective cash contributions in equity.

Statement of members' responsibilities in respect of the financial statements

The members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law, as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the "Regulations"), requires the members to prepare financial statements for each financial year. Under that law the members have prepared the financial statements in accordance with UK-adopted international accounting standards.

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Members’ Report (continued)

Under company law, as applied to limited liability partnerships, members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the partnership and of the profit or loss of the partnership for that period.

In preparing the financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the partnership will continue in business.

The members are responsible for safeguarding the assets of the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are also responsible for keeping adequate accounting records that are sufficient to show and explain the partnership’s transactions and disclose with reasonable accuracy at any time the financial position of the partnership and enable them to ensure that the financial statements comply with the Companies Act 2006.


Independent auditors and disclosure of information to auditors

So far as the members are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Partnership’s auditors are unaware, and each member has taken all the steps that it ought to have taken as a member in order to make itself aware of any relevant audit information and to establish that the Partnership’s auditors are aware of that information.


PricewaterhouseCoopers LLP have indicated their willingness to continue in office, and a resolution concerning their re-appointment will be passed by the designated members.

On behalf of the members,

Date



Digitally signed
by Bradley
WALDEN
Date: 2023.12.20
08:28:59 Z



Digitally signed by
Rachel ILES
Date:
2023.12.20
08:50:25 Z

Independent auditors' report to the members of ICF Debt Pool LLP

Report on the audit of the financial statements

Opinion

In our opinion, ICF Debt Pool LLP's financial statements:

- give a true and fair view of the state of the LLP's affairs as at 30 September 2023 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 30 September 2023; the Statement of Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Members' Equity/(Deficiency) for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the LLP's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the members for the financial statements

As explained more fully in the Statement of members' responsibilities in respect of the financial statements, the members are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The members are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the LLP and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and the potential for manipulation of financial data or management bias in accounting estimates in the financial statements such as the impairment of loan investments. Audit procedures performed by the engagement team included:

- Challenging assumptions and judgements made by management in their significant areas of estimation;
- Understanding of management's internal controls designed to prevent and detect irregularities;
- Enquiring with management as to any actual or suspected instances of fraud or non-compliance with laws and regulations;

- Identifying and testing journal entries with unusual characteristics such as unusual account combinations; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the members of the partnership as a body in accordance with the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 as applicable to limited liability partnerships we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Allison Marciniak (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
20 December 2023

ICF Debt Pool LLP

Statement of Comprehensive Income For the year ended 30 September 2023

Registered Number: OC348514

(expressed in US dollars)

	Note	2023 US\$	2022 US\$
Revenue	4	6,456,325	5,532,047
Administrative expenses		(554,964)	(659,031)
Management fees	13	(1,107,829)	(1,117,762)
Reversal of (allowance for) credit losses	3	11,875,815	(2,732,466)
Foreign exchange (loss)/gain		(3,293,542)	5,372,350
Operating profit		13,375,805	6,395,138
Finance costs		(2,415,714)	(3,017,616)
Profit for the financial year available for division among members	10	10,960,091	3,377,522
Total comprehensive profit for the year available for division among members	6	10,960,091	3,377,522

All activities derive from continuing operations.

There was no other comprehensive income/(loss) for 2023 (2022 – none).

The notes on pages 13 to 32 are an integral part of these financial statements.

ICF Debt Pool LLP

Balance Sheet



As at September 30, 2023

Registered Number: OC348514

(expressed in US dollars)

	Note	2023 US\$	2022 US\$
Non-current assets			
Loan investments	5	61,970,308	73,854,388
Current assets			
Accrued interest income and other receivables	7	1,111,767	1,330,841
Short-term investments		27,662,850	25,650,790
Cash and cash equivalents		7,371,969	18,398,814
		36,146,586	45,380,445
Total assets		98,116,894	119,234,833
Current liabilities			
Trade and other payables		138,891	110,871
Accrued interest payable on loans and fees due to members		251,493	328,074
Loans due to members within one year	8	47,367,766	45,968,709
		47,758,150	46,407,654
Non-current liabilities			
Loans due to members in more than one year	9	67,164,139	100,592,665
Total liabilities		114,922,289	147,000,319
Net liabilities		(16,805,395)	(27,765,486)
Deficiency			
Members' capital classified as equity	10	1,000,004	1,000,004
Deficit	10	(17,805,399)	(28,765,490)
Total deficiency		(16,805,395)	(27,765,486)
Total members' interest			
Loans and other debts due to members within one year			
Accrued interest payable on loans and fees due to members		251,493	328,074
Loans due to members within one year	8	47,367,766	45,968,709
		47,619,259	46,296,783
Loans due to members in more than one year			
Loans due to members in more than one year	9	67,164,139	100,592,665
Members' other interest – deficiency			
Members' capital classified as equity	10	1,000,004	1,000,004
Deficit	10	(17,805,399)	(28,765,490)
		(16,805,395)	(27,765,486)
Total members' interest	10	97,978,003	119,123,962

The financial statements were approved and authorised for issue by the members and were signed on their behalf by:

Date		
	Digitally signed by Bradley WALDEN Date: 2023.12.20 08:29:26 Z	Digitally signed by Rachel ILES Date: 2023.12.20 08:51:32 Z

The notes on pages 13 to 32 are an integral part of these financial statements.

ICF Debt Pool LLP

Statement of Cash Flows

For the year ended September 30, 2023

Registered Number: OC348514

(expressed in US dollars)

	Note	2023 US\$	2022 US\$
Cash flows from operating activities			
Cash generated from operations	11	6,818,154	5,319,785
Cash flows from investing activities			
Loan repayments		21,426,467	35,645,357
Commitment, up-front and other fees paid		(105,514)	(337,335)
		21,320,953	35,308,022
Cash flows from financing activities			
Loans due to members – paid		(37,332,229)	(37,129,777)
Interest paid to members		(2,492,295)	(3,123,222)
		(39,824,524)	(40,252,999)
Net (decrease) / increase in cash and cash equivalents		(11,685,417)	374,808
Cash and cash equivalents – Beginning of year		18,398,814	19,565,060
Exchange gains/(losses) on cash and cash equivalents		658,572	(1,541,054)
Cash and cash equivalents – End of year		7,371,969	18,398,814

The notes on pages 13 to 32 are an integral part of these financial statements.

ICF Debt Pool LLP

Statement of Changes in Members' Equity/(Deficiency)

For the year ended September 30, 2023

Registered Number: OC348514

(expressed in US dollars)

	Note	Members' capital classified as equity US\$	Deficit US\$
Members' equity/(deficiency) – September 30, 2020	10	1,000,004	(34,131,560)
Increase in members' net equity			
Total comprehensive income for the year		-	1,988,548
Members' equity/(deficiency) – September 30, 2021	10	1,000,004	(32,143,012)
Increase in members' net equity			
Total comprehensive income for the year		-	3,377,522
Members' equity/(deficiency) – September 30, 2022	10	1,000,004	(28,765,490)
Increase in members' net equity			
Total comprehensive income for the year		-	10,960,091
Members' equity/(deficiency) – September 30, 2023	10	1,000,004	(17,805,399)

The notes on pages 13 to 32 are an integral part of these financial statements.

ICF Debt Pool LLP

Notes to Financial Statements

September 30, 2023

Registered Number: OC348514

(expressed in US dollars)

1 Establishment of the Partnership and nature of activities

The Partnership was incorporated on September 30, 2009 and is expected to be dissolved on December 31, 2028.

The investment activities of the Partnership consist primarily of parallel financing of projects presented by originating International Financial Institutions (IFI). The Partnership may also undertake other business with the unanimous consent of members.

The financial statements of the Partnership include only the assets, liabilities, revenues and expenses of the Partnership, and do not include the other assets, liabilities, revenues and expenses of the members. No provision for income taxes has been made in these financial statements, since income is taxable only in the hands of the members.

The Partnership is legally controlled by its members. KfW is considered to be the ultimate controlling party of the Partnership, as defined in International Accounting Standard (IAS) 24, Related Party Disclosures, as it provides most of the Partnership's financing.

The Partnership's registered office is located at 6 Bevis Marks, London, EC3A 7BA, United Kingdom.

These financial statements were authorised for use by the members on December 20, 2023.

2 Accounting policies

The principal accounting policies, which have been consistently applied throughout the year, are set out below.

Basis of preparation

These financial statements have been prepared in accordance with UK adopted international accounting standards and with the requirements of the Companies Act 2006 as applied to limited liability partnerships.

The Partnership is in a net current liability position as at September 30, 2023, and the members believe the use of the going concern basis of accounting in the preparation of the financial statements is appropriate given future cash flows from contractual obligations. In addition, the members have begun discussions with lenders to improve the financial position of the Partnership.

ICF Debt Pool LLP

Notes to Financial Statements

September 30, 2023

Registered Number: OC348514

(expressed in US dollars)

2 Accounting policies (continued)

Changes in accounting policy and disclosures

IAS 1, Presentation of Financial Statements' and IFRS Practice Statement 2, Making Materiality Judgements'.

In February 2021, the IASB issued amendments to IAS 1 to assist entities in determining which material accounting policies are required to be disclosed. To support the IAS 1 amendment, the IASB has provided guidance to demonstrate the application of materiality in a 'four-step materiality process' described in IFRS Practice Statement 2 to accounting policy disclosures. The amendments issued are effective for annual periods beginning on or after January 1, 2023, but early application is permitted. The Partnership is currently evaluating the impact that this standard will have on its financial statements.

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Partnership makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The principal estimates and judgements that could have a significant effect upon the Partnership's financial results relate to the assessment of whether there is objective evidence that a loan investment is impaired. Details of estimates and judgements are set out in each of the relevant accounting policies and detailed notes to the financial statements.

Loan investments

Loan investments are mainly parallel financings of projects with an originating IFI. In cases where the syndicating IFI remains the lender of record, loans are structured to enable the Partnership to benefit from the IFI's preferred creditor status. Exceptionally, other lenders of record may have the preferential status of an export credit agency, or may be bilateral development finance institutions and thus enjoy a de facto preferred creditor status formally recognised by many developing countries.

Loans are recognised initially at fair value, which is the cash consideration to originate the loan net of unearned commitment and up-front fees, and are measured subsequently at amortised cost using the effective interest rate method. In the case of an impairment, the impairment loss is reported as a deduction of the carrying value of the loan and recognised in the statement of comprehensive income.

ICF Debt Pool LLP

Notes to Financial Statements

September 30, 2023

Registered Number: OC348514

(expressed in US dollars)

2 Accounting policies (continued)

Revenue

Interest income is recorded using the effective interest rate method on an accrual basis.

Fees related to loan origination, commitment and up-front fees are considered adjustments to loan yield and are deferred and amortised to “Commitment and other fee income from loan investments” over the estimated term of such loans (note 4).

Impairment of loan investments

Cordiant Capital Inc. (the Manager) assesses on a forward-looking basis the expected credit loss (ECL) associated with its loan investments carried at amortised cost and with the exposure arising from loan commitments and financial guarantee contracts. The Manager recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Manager measures the ECL on each balance sheet date according to a three-stage ECL impairment model:

- Performing financial assets
 - Stage 1: From initial recognition of a financial asset to the date on which the asset has experienced a significant increase in credit risk relative to its initial recognition, a loss allowance is recognised equal to the credit losses expected to result from defaults occurring over the 12 months following the reporting date.
 - Stage 2: Following a significant increase in credit risk relative to the initial recognition of the financial asset, a loss allowance is recognised equal to the credit losses expected over the remaining lifetime of the asset.
- Impaired financial assets
 - Stage 3: When a financial asset is considered to be credit-impaired, a loss allowance is recognised equal to credit losses expected over the remaining lifetime of the asset. Interest revenue is calculated based on the carrying amount of the asset, net of the loss allowance, rather than on its gross carrying amount.

ICF Debt Pool LLP

Notes to Financial Statements

September 30, 2023

Registered Number: OC348514

(expressed in US dollars)

2 Accounting policies (continued)

Measurement of ECL

ECLs are based on a range of possible outcomes and consider all available reasonable and supportable information including internal and external ratings, historical credit loss experience, and expectations about future cash flows. The measurement of ECL is based primarily on the product of the instrument's probability of default (PD), loss given default (LGD), and exposure at default (EAD) discounted to the reporting date. The main difference between Stage 1 and Stage 2 ECLs for performing financial assets is the respective calculation horizon. Stage 1 estimates project PD, LGD and EAD over a maximum period of 12 months, while Stage 2 estimates project PD, LGD and EAD over the remaining lifetime of the instrument. An ECL estimate is produced for each individual exposure. Relevant parameters are modelled on a collective basis using portfolio segmentation that allows for the appropriate incorporation of forward-looking information. To reflect other characteristics that are not already considered through modelling, expert credit judgement is exercised in determining the final ECL. ECLs are discounted to the reporting period date using the effective interest rate.

Significant increase in credit risk

The determination of the criteria for significant increase in credit risk requires judgement. The assessment of increase in credit risk is done at instrument level. The indicator used for assessing increase in credit risk is the internal counterparty rating of the obligor of the loan investment. The deterioration in credit quality is considered significant, and the loan investment is therefore placed in stage 2 if the difference between the counterparty rating at origination and the one as at the reporting date is superior to three notches.

Definition of default

The Manager defines a financial instrument as being in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria.

The borrower is more than 90 days past due on its contractual payments.

The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

- The borrower is in long-term forbearance;
- The borrower is insolvent;
- The borrower is in breach of financial covenant(s);
- An active market for that financial asset has disappeared because of financial difficulties;
- Concessions have been made by the lender relating to the borrower's financial difficulty; or
- It is becoming probable that the borrower will enter bankruptcy or another form of financial reorganisation.

ICF Debt Pool LLP

Notes to Financial Statements

September 30, 2023

Registered Number: OC348514

(expressed in US dollars)

2 Accounting policies (continued)

Individually assessed loans (Stage 3)

When individually significant loans are identified as impaired, the Manager reduces the carrying value of the loans to their estimated realisable values by recording an individually assessed ECL to cover identified credit losses. The individually assessed ECL reflects the expected amount of principal and interest calculated under the terms of the original loan agreement that will not be recovered, and the impact of time delays in collecting principal and/or interest (time value of money). The estimated realisable value for each individually significant loan is the present value of expected future cash flows discounted using the original effective interest rate for each loan. When the amounts and timing of future cash flows cannot be estimated with reasonable reliability, the estimated realisable amount may be determined using observable market prices for comparable loans, the fair value of collateral underlying the loans, and other reasonable and supported methods based on management's judgement. Individually assessed allowances are established in consideration of a range of possible outcomes, which may include macroeconomic or non-macroeconomic scenarios, to the extent relevant to the circumstances of the specific borrower being assessed. Assumptions used in estimating expected future cash flows reflect current and expected future economic conditions and are generally consistent with those used in Stage 1 and Stage 2 measurement. Significant judgement is required in assessing evidence of credit impairment and estimation of the amount and timing of future cash flows when determining ECL. Changes in the amount expected to be recovered would have a direct impact on the allowance for credit losses.

Write off

The Partnership writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Partnership's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovery in full.

Foreign currency translation

The Partnership has prepared the financial statements in US dollars, which is the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions in which the Partnership operates (the functional currency). Foreign currency transactions are translated at the rates in effect at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the balance sheet date. The resulting gains and losses, realised and unrealised, are recognised in the statement of comprehensive income.

ICF Debt Pool LLP

Notes to Financial Statements

September 30, 2023

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(expressed in US dollars)

2 Accounting policies (continued)

Cash and cash equivalents and short-term investments

Cash and cash equivalents consist of cash held with banks and other short-term highly liquid investments with original maturities of three months or less from the date of acquisition. Short-term investments are liquid investments and are held more for the purpose of investment than for the purpose of meeting short-term cash commitments.

Loans due to members

Loans due to members are recognised initially at fair value, net of transaction costs incurred. Loans due to members are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the loans using the effective interest method.

Administrative expenses and management fees

Administrative expenses and management fees are accounted for on an accrual basis in accordance with the current Management Agreement between the Partnership and Cordiant Capital Inc.

Fair value of financial instruments

The fair value of a financial instrument is the estimated amount that the Partnership would receive or pay to settle a financial asset or financial liability as at the reporting date.

Fair value is based on market prices where there is an active market. Otherwise, fair value is estimated by using valuation techniques or models that incorporate current market prices and the contractual prices of the underlying instruments, the time value of money, yield curves and volatility factors.

Financial instruments

Financial assets and financial liabilities are recognised when the Partnership becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or been transferred and the Partnership has transferred substantially all the risks and rewards of ownership. Financial liabilities are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Financial assets are classified based on their contractual cash flow characteristics and the business model under which they are held.

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2 Accounting policies (continued)

Contractual cash flow characteristics

In order to meet the cash flow characteristics criterion for purposes of classifying a financial asset, the cash flows from this asset must be solely payments of principal and interest on the principal amount outstanding. Principal is generally the fair value of the financial asset at initial recognition. Interest consists mainly of consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time.

Business models

The Partnership's business models are determined in a manner that reflects how groups of financial assets are managed to achieve a particular business objective. The business models refer to how the Partnership manages its financial assets in order to generate cash flows. They therefore reflect whether cash flows will result from collecting contractual cash flows, selling financial assets or both. All of the Partnership's financial assets are part of an economic model whose objective of holding is achieved by collecting contractual cash flows.

Financial liabilities are classified based on their characteristics and the intention of management upon their issuance.

The fair value of a financial instrument is the estimated amount that the Partnership would receive for or pay to settle a financial asset or financial liability as at the reporting date.

Financial assets whose fair value approximates their carrying value

The carrying value of certain financial assets corresponds to a reasonable approximation of fair value. The Partnership considers that the carrying values of accrued interest income and other receivables, and cash and cash equivalents approximate their fair values.

Loan investments carried at amortised cost on the balance sheet

As at September 30, 2023, the fair value of loan investments approximates US\$61,600,000 (2022 – US\$79,700,000). Fair value of the loan investments is determined as follows:

A discounted future cash flow calculation is used, also taking into consideration the market interest rate, sovereign risk, borrower credit risk, any change in construction risk and any change in sponsor support, among other factors.

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2 Accounting policies (continued)

Loans due to members carried at amortised cost on the balance sheet

The loans due to members are carried at amortised cost on the balance sheet. The fair value of the loans due to members has been disclosed in note 8 and note 9. The fair value of the loans due to members is estimated as the net present value of expected future cash flows using current market interest rates for similar loans.

Determination of the fair value hierarchy

All financial instruments have been analysed using a fair value hierarchy that reflects the significance of the inputs used in valuing those instruments. The fair value hierarchy is based on the following levels:

- Level 1: Fair values measured using unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Fair values measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Fair values measured using inputs that are not based on observable market data (unobservable inputs).

All loan investments are classified in the fair value hierarchy as Level 3 because they are valued using a discounted cash flow method which uses unobservable inputs. As at September 30, 2023, the most significant unobservable input used to determine fair value is the discount rate, which differs for each loan investment. Each loan investment is internally rated, and the discount rate used reflects this rating as well as the applicable sovereign rating. Discount rates vary from 4.93% to 50.53% (2022 – 4.22% to 33.08%) depending on the maturity of the investment, the investment risk and the country risk.

The loans due to members have been classified as Level 2 because they are valued using current interest rates for similar loans that are observable on the market.

There have been no changes in classification during the year (2022 – none).

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3 Risk management

The financial instruments of the Partnership and the nature of risks to which they may be subject are as follows:

	Credit risk	Liquidity risk	Market risk	
			Currency	Interest rate
Measured at amortised cost				
Loan investments	X		X	X
Accrued interest income and other receivables	X		X	
Trade and other payables		X		
Accrued interest payable on loans and fees due to members		X	X	X
Loans and other debts due to members		X	X	X
Measured at fair value				
Short-term investments	X		X	X
Cash and cash equivalents	X		X	X

Credit risk

The Partnership is exposed to credit risk resulting from the possibility that parties may default on their financial obligations, or from a concentration of transactions carried out with the same party, or from a concentration of financial obligations which have similar economic characteristics and could be affected similarly by changes in economic conditions. The Partnership does not directly hold any physical collateral as security for its financial assets.

The Partnership makes loan investments which may be rated below investment grade or unrated. These loan investments may be subject to a greater loss of principal and interest than higher-rated loan investments. All of the Partnership's loan investments are in emerging markets. Investing in emerging markets involves additional credit risk and special considerations not typically associated with investing in other more established economies or credit markets. Such risks may include greater social, economic and political uncertainty; increased risk of nationalisation or expropriation of assets or confiscatory taxation; greater dependence on international trade; less liquidity, less capitalisation and less extensive regulation of the credit markets; greater volatility in currency exchange rates; greater risk of inflation; greater controls on foreign investment and limitations on the realisation of investments, repatriation of invested capital and the ability to exchange local currencies for US dollars; and less developed corporate laws.

Aggregate credit risk associated with loan investments and accrued interest income and other fees is mitigated, and concentration risk is minimised by the Partnership's diverse customer base covering many business sectors in a number of emerging markets. The Partnership follows a programme of credit evaluations of borrowers and has also established credit limits by counterparty and by country.

Financial forecasts, budgets and borrowers' actual results are monitored on a regular basis, as are news releases about industrial sectors and economic and political conditions.

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3 Risk management (continued)

The Partnership believes that these policies and the borrowers' credit quality limit the credit risk.

The Partnership must make estimates in respect of the allowance for credit losses. Current economic conditions, historical information, reasons for an account to be past due and the borrowers' industrial sector of activity are all considered in determining when to allow for past due accounts. The same factors are considered when determining whether to write off amounts charged to the allowance account against the loan receivable. The allowance for credit losses is calculated on a specific loan basis.

The following table presents the gross carrying amount of loan investments for which the Partnership estimates an allowance for credit losses, according to credit quality and the impairment model stage in which they are classified:

	2023		
	Non-credit-impaired		Credit-impaired
	Stage 1 US\$	Stage 2 US\$	Stage 3 US\$
			Total US\$
Non-investment grade	44,144,137	10,644,000	-
Default	-	-	20,665,751
			54,788,137
			20,665,751
Gross carrying amount	44,144,137	10,644,000	20,665,751
Allowance for credit losses	(66,215)	(1,279,800)	(11,320,321)
Unearned commitment and up-front fees	(817,244)	-	-
			(817,244)
Carrying amount	43,260,678	9,364,200	9,345,430
			61,970,308
	2022		
	Non-credit-impaired		Credit-impaired
	Stage 1 US\$	Stage 2 US\$	Stage 3 US\$
			Total US\$
Non-investment grade	51,794,038	12,798,000	-
Default	-	-	38,815,841
			64,592,038
			38,815,841
Gross carrying amount	51,794,038	12,798,000	38,815,841
Allowance for credit losses	(77,691)	(1,279,800)	(27,190,826)
Unearned commitment and up-front fees	(1,005,174)	-	-
			(1,005,174)
Carrying amount	50,711,173	11,518,200	11,625,015
			73,854,388

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3 Risk management (continued)

Impaired loans and allowance for credit losses

As at September 30, 2023, three impaired loans amounting to US\$31,309,751 (2022 – five impaired loans amounting to US\$51,613,841) were written down to their estimated realisable value.

The following tables summarise the movements in the allowance for credit losses:

	2023		
	Non-credit-impaired		Credit-impaired
	Stage 1 US\$	Stage 2 US\$	Stage 3 US\$
			Total US\$
Allowance – Beginning of year	77,691	1,279,800	27,190,826
Transfers to:			
Stage 1	-	-	-
Stage 2	-	-	-
Stage 3	-	-	-
Repayments	(11,475)	-	(11,337,180)
Net remeasurement	-	-	(527,160)
Reversal of credit losses	(11,475)	-	(11,864,340)
Write off and other movements	-	-	(4,006,166)
Allowance – End of year	66,216	1,279,800	11,320,320

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3 Risk management (continued)

	2022		
	Non-credit-impaired		Credit-impaired
	Stage 1 US\$	Stage 2 US\$	Stage 3 US\$
			Total US\$
Allowance – Beginning of year	143,680	771,407	25,071,977
Transfers to:			
Stage 1	-	-	-
Stage 2	-	-	-
Stage 3	-	-	-
Repayments	(46,792)	(600,194)	-
Net remeasurement	(19,197)	1,279,800	2,118,849
Loan write off and other movements with no P&L impact	-	-	-
Allowance for credit losses	(65,989)	679,606	2,118,849
Write off and other movements	-	(171,213)	-
Allowance – End of year	77,691	1,279,800	27,190,826
			28,548,317

The allowance for credit losses presented in the statement of comprehensive income comprises:

	2023 US\$	2022 US\$
Reversal of (allowance for) credit losses	(11,875,815)	2,732,466

The Partnership's maximum exposure to credit risk as at September 30 is as follows:

	Note	2023 US\$	2022 US\$
Loan investments	5	62,787,552	74,859,562
Accrued interest income and other receivables		1,111,767	1,330,841
Short-term investments		27,662,850	25,650,790
Cash and cash equivalents		7,371,969	18,398,814
		98,934,138	120,240,007

The Partnership offsets credit risk by depositing its cash and cash equivalents, including short-term investments, with high-credit-quality financial institutions. Credit risk associated with cash and cash equivalents is minimised by investing these in one of the largest Canadian Schedule I banks.

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3 Risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Partnership will not be able to meet a demand for cash or fund its obligations as they come due.

The following tables present financial liabilities and credit instruments as at September 30 by remaining contractual maturity:

	2023			
	Under 1 year US\$	1 to 5 years US\$	Over 5 years US\$	Total US\$
Trade and other payables	138,891	-	-	138,891
Accrued interest payable on loans and fees due to members	251,493	-	-	251,493
Loans due to members	47,367,766	68,108,274	-	115,476,040

	2022			
	Under 1 year US\$	1 to 5 years US\$	Over 5 years US\$	Total US\$
Trade and other payables	110,871	-	-	110,871
Accrued interest payable on loans and fees due to members	328,074	-	-	328,074
Loans due to members	45,968,709	101,849,283	-	147,817,992

As at year-end, loan commitments represent an amount of nil (2022 – nil).

Market risk

The Partnership is exposed to market risk through the fluctuation of financial instrument fair values arising from changes in market prices. The significant market risks to which the Partnership is exposed are currency risk and interest rate risk.

Currency risk

Currency risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate relative to the US dollar due to changes in foreign exchange rates.

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3 Risk management (continued)

The functional currency of the Partnership is the US dollar. The Partnership also transacts in euros, Indian rupees, British pounds sterling and Canadian dollars. The loans denominated in foreign currencies are disclosed in note 5.

The potential impact on the loans if the US dollar had strengthened or weakened by 5% in relation to foreign currencies, with all other variables held constant, is \$765,901.

The foreign exchange gain account in the statement of comprehensive income includes a loss of US\$266,585 (2022 – US\$1,632,150) calculated on the revaluation of the loan denominated in Indian rupees to US dollars as at September 30, 2023, and a loss of US\$3,026,957 (2022 – gain of US\$7,004,500) calculated on the revaluation of assets and liabilities denominated in euros, British pounds sterling and Canadian dollars to US dollars as at September 30, 2023.

Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates.

The interest rate exposure of the Partnership arises from its interest-bearing assets and accrued interest thereon.

The Partnership's cash and cash equivalents include amounts on deposit with financial institutions and earn interest at market rates. The Partnership manages its cash exposure to interest rate risk by maximising the interest income earned on excess funds while maintaining the minimum liquidity necessary to conduct day-to-day operations. Fluctuations in market rates of interest on cash and cash equivalents do not have a significant impact on the Partnership's results of operations.

As at September 30, 2023, the Partnership had US\$62,787,552 (2022 – US\$74,859,562) in loan investments exposed to interest rate risk. The interest rate risk is partially mitigated by the fact that borrowings which finance these investments are at lower fixed rates than loan investments, which are made, when possible, at fixed rates.

As at September 30, 2023, the Partnership had US\$29,276,714 (2022 – US\$26,328,317) in loan investments bearing floating interest rates, the most significant of which was the Secured Overnight Financing Rate (SOFR) transitioned from LIBOR in 2023.

Based on the balance outstanding as at September 30, 2023, an increase of 0.5% in SOFR would increase net investment income by US\$146,384 and a decrease of 0.5% in SOFR would decrease net investment income by the same amount (2022 – LIBOR increase (decrease) net investment income of US\$131,642).

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4 Revenue

Fees represent income derived from the origination of loans.

	2023 US\$	2022 US\$
Interest income from loan investments	6,121,243	4,780,432
Up-front fee income from loan investments	123,832	278,704
Commitment and other fee income from loan investments	211,250	472,911
	<u>6,456,325</u>	<u>5,532,047</u>

5 Loan investments

						2023
Loan	Country	Industry	Maturity date	Book value in foreign currency	Book value US\$	Portfolio %
US dollar loans						
Azura Power West Africa Limited	Nigeria	Electricity	15 November 2028		14,867,423	19.70
Cai Lan Port	Vietnam	Port infrastructure	15 December 2021		13,583,583	18.00
Power Grid Corporation	India	Electricity	15 March 2027		17,500,000	23.19
Takoradi	Ghana	Electricity	15 June 2027		10,644,000	14.11
					<u>56,595,006</u>	<u>75.00</u>
Euro loans¹						
Société concessionnaire du Pont Riviera						
Marcory	Ivory Coast	Transport infrastructure	15 April 2027	11,138,480	11,776,714	15.61
Transambiental	Colombia	Transport infrastructure	15 June 2026	6,698,352	7,082,168	9.39
				<u>17,836,832</u>	<u>18,858,882</u>	<u>25.00</u>
					75,453,888	<u>100</u>
Allowance for credit losses					<u>(12,666,336)</u>	
					62,787,552	
Unearned up-front fees and commitment fees					<u>(817,244)</u>	
					<u>61,970,308</u>	

¹ Euro loans converted at EUR/USD exchange rate of 1.0573

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5 Loan investments (continued)

							2022
Loan	Country	Industry	Maturity date	Book value in foreign currency	Book value US\$	Portfolio %	
US dollar loans							
Azura Power West Africa Limited	Nigeria	Electricity	15 November 2028		16,544,381	16.00	
Cai Lan Port	Vietnam	Port infrastructure	15 December 2021		13,583,583	13.14	
Power Grid Corporation	India	Electricity	15 March 2027		22,500,000	21.76	
SSIT (Cai Mep)	Vietnam	Port infrastructure	15 December 2022		426,890	0.41	
Takoradi	Ghana	Electricity	15 June 2027		12,798,000	12.38	
					<u>65,852,854</u>	<u>63.69</u>	
Euro loans¹							
Société concessionnaire du Pont Riviera							
Marcory	Ivory Coast	Transport infrastructure	15 April 2027	13,007,200	12,749,657	12.33	
Transambiental	Colombia	Transport infrastructure	15 June 2026	7,811,296	7,656,633	7.40	
				<u>20,818,496</u>	<u>20,406,290</u>	<u>19.73</u>	
Indian rupee loans²							
Vinca-Ackruti	India	Real estate	15 December 2014	1,395,000,000	17,148,735	16.58	
					<u>103,407,879</u>	<u>100</u>	
Allowance for credit losses					<u>(28,548,317)</u>		
					74,859,562		
Unearned up-front fees and commitment fees					<u>(1,005,174)</u>		
					<u>73,854,388</u>		

¹ Euro loans converted at EUR/USD exchange rate of 0.9802

² Indian rupee loans converted at INR/USD exchange rate of 0.012293

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6 Members' remuneration

A member's share in the profit or loss for the year is accounted for as an allocation. During the year, there were no drawings by, nor was any remuneration paid to, members.

	2023 US\$	2022 US\$
Income for the financial year available for allocation among members	10,960,091	3,377,522
Income affecting member with highest entitlement during the year	10,958,994	3,377,184

The average monthly number of members during the year was five (2022 – five).

7 Accrued interest income and other receivables

	2023 US\$	2022 US\$
Accrued interest income – Loan investments	1,095,087	1,304,344
Value-added tax recoverable	16,680	26,497
	1,111,767	1,330,841

8 Loans due to members within one year

The Partnership has a US\$10,000,000 subordinated non-interest-bearing loan (2022 – US\$10,000,000) from PIDG Trust payable on demand. The carrying value is a reasonable approximation of fair value. In addition, the current portion of loans due to KfW is US\$37,367,766 (2022 – US\$35,968,709) as per note 9.

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9 Loans due to members in more than one year

	2023 US\$	2022 US\$
Loans due to KfW	105,476,040	137,817,992
Fees	(944,135)	(1,256,618)
	<hr/>	<hr/>
Current portion of loans due to KfW	104,531,905	136,561,374
	(37,367,766)	(35,968,709)
	<hr/>	<hr/>
Non-current portion of loans due to KfW	67,164,139	100,592,665

The Partnership has:

- A US\$10,528,000 loan (2022 – US\$15,792,000) from KfW at annual interest of 1.92%, repayable in equal semi-annual payments of US\$2,632,000 (2022 – US\$2,632,000) starting in September 2016 (the fair value of this loan estimated using current interest rates for similar loans is US\$10,156,221 (2022 – US\$15,173,876));
- A 14,800,000 euro loan (2022 – 22,200,000 euros) from KfW at annual interest of 1.53%, repayable in equal semi-annual payments of 3,700,000 euros (2022 – 3,700,000 euros) starting in December 2015 (the fair value of this loan estimated using current interest rates for similar loans is 14,539,279 euros (2022 – 21,862,740 euros));
- A 32,239,658 euro loan (2022 – 42,985,658 euros) from KfW at annual interest of 1.49%, repayable in equal semi-annual payments of 5,373,000 euros (2022 – 5,373,000 euros) starting in March 2017 (the fair value of this loan estimated using current interest rates for similar loans is 31,141,779 euros (2022 – 41,696,410 euros)); and
- A US\$45,213,010 loan (2022 – US\$58,131,010) from KfW at annual interest of 1.63%, repayable in equal semi-annual payments of US\$6,459,000 (2022 – US\$6,459,000) starting in June 2017 (the fair value of this loan estimated using current interest rates for similar loans is US\$43,219,401 (2022 – US\$55,285,785)).

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10 Total members' interest

	Members' capital classified as equity US\$	Deficit US\$	Total US\$	Loans and other debts due to members US\$	Total members' interest US\$
Members' interest as at September 30, 2020	1,000,004	(34,131,560)	(33,131,556)	260,481,631	227,350,075
Members' net redemptions	-	-	-	(63,041,828)	(63,041,828)
Loss for the year available for discretionary payment to members	-	1,988,548	1,988,548	-	1,988,548
Members' interest as at September 30, 2021	1,000,004	(32,143,012)	(31,143,008)	197,439,803	166,296,795
Members' net redemptions	-	-	-	(50,550,355)	(50,550,355)
Income for the year available for discretionary payment to members	-	3,377,522	3,377,522	-	3,377,522
Members' interest as at September 30, 2022	1,000,004	(28,765,490)	(27,765,486)	146,889,448	119,123,962
Members' net redemptions	-	-	-	-	-
Income for the year available for discretionary payment to members	-	10,960,091	10,960,091	(32,106,050)	(21,145,959)
Members' interest as at September 30, 2023	1,000,004	(17,805,399)	(16,805,395)	114,783,398	97,978,003

The Partnership defines capital as total members' interest. This capital is not subject to externally imposed requirements.

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11 Cash generated from operations

	2023 US\$	2022 US\$
Total comprehensive income for the year	10,960,091	3,377,522
Adjustments for		
Finance costs	2,415,714	3,017,616
Amortisation of commitment and up-front fees	(82,416)	(335,116)
Foreign exchange loss (gain) on loans	3,293,542	(5,372,350)
(Reversal of credit losses) / Allowance for credit losses	(11,875,815)	2,732,466
Write up (write off) and other movements	3,872,004	(171,213)
Changes in non-cash balances		
Increase in short-term investments	(2,012,060)	-
Accrued interest income and other receivables	219,074	1,995,694
Foreign exchange losses on short-term investments	-	58,860
Trade and other payables	28,020	16,306
	<u>6,818,154</u>	<u>5,319,785</u>

12 Auditors' remuneration

	2023 US\$	2022 US\$
Auditors' fees	115,455	87,024
Auditors' fees for non-audit services	12,077	11,058
	<u>127,532</u>	<u>98,082</u>

13 Related parties

The Manager is the sole shareholder of 9215-6975 Quebec Inc., the special member of the Partnership. During the year ended September 30, 2023, in the ordinary course of business, total management and other fees of US\$1,107,829 (2022 – US\$1,117,762) were expensed, and a balance of nil (2022 – nil) remains payable to the Manager as at September 30, 2023. Total management and other fees expensed included \$66,310 (2022 – \$104,212) paid to PIDG Ltd. These transactions were recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The Partnership has no employees (2022 – no employees).