

**Waystone Management (UK) Limited**  
**DMS FCM Salamanca Global Property Fund 1**  
**Final Account (Audited)**  
*For the period 25 October 2018 to 18 September 2020*

**DMS FCM SALAMANCA GLOBAL PROPERTY FUND 1  
FINAL ACCOUNT FOR THE PERIOD 25 OCTOBER 2018 TO 18 SEPTEMBER 2020**

**GENERAL INFORMATION**

**COMPANY AND HEAD OFFICE**

DMS FCM Salamanca Global Property Fund 1  
2nd Floor  
20-22 Bedford Row  
Holborn  
London WC1R 4EB  
United Kingdom

**INDEPENDENT AUDITOR**

Grant Thornton UK LLP  
30 Finsbury Square  
London EC2A 1AG  
(Authorised and regulated by the Financial  
Conduct Authority)

**AUTHORISED CORPORATE DIRECTOR ('ACD')**

Waystone Management (UK) Limited\*  
2nd Floor  
20-22 Bedford Row  
Holborn  
London WC1R 4EB  
United Kingdom  
(Authorised and regulated by the Financial  
Conduct Authority)

**DEPOSITARY**

Citibank Europe Plc, UK Branch  
Citigroup Center  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

**DIRECTORS OF THE ACD**

C. O'Donnell (appointed on 16 December 2019)  
T. K. Madigan (appointed on 7 February 2020)  
S. P. White (appointed on 7 February 2020)  
N. C. White (appointed on 5 March 2020)  
A. M. Berry (appointed on 30 April 2020)  
R. E. Wheeler (appointed 12 July 2022)

**FUND ACCOUNTANT**

JTC Fund Solutions (Guernsey) Limited \*\*\*  
Ground Floor  
Dorey Court  
Admiral Park  
St Peter Port  
Guernsey  
GY1 2HT

G.L. Brooks (resigned on 7 February 2020)  
C.T. Finch (resigned on 5 March 2020)  
B. Primrose (resigned on 5 March 2020)  
S. Anderson (resigned on 7 February 2020)  
S. Chaudri (resigned on 7 February 2020)  
N. C. White (resigned on 4 September 2020)

**INVESTMENT ADVISOR**

Salamanca Group Advisors (appointed 11 May 2017)  
3 Burlington Gardens  
Mayfair  
London W1S 3EP  
United Kingdom

*Previously:*

FF & P CM Salamanca LLP  
50 Berkeley Street  
London W1J 8HA  
United Kingdom

**REGISTRAR AND TRANSFER AGENT**

JTC Fund Solutions (Guernsey) Limited \*\*  
Ground Floor  
Dorey Court  
Admiral Park  
St Peter Port  
Guernsey  
GY1 2HT

\*Name changed from DMS Investment Management Services (UK) Limited to Waystone Management (UK) Limited effective 22 March 2021.

\*\* JTC Fund Solutions (Guernsey) Limited ceased to act as Registrar and Transfer Agent effective 24 October 2018.

\*\*\* JTC Fund Solutions (Guernsey) Limited ceased to act as Fund Accountants effective 16 July 2020.

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**DMS FCM SALAMANCA GLOBAL PROPERTY FUND 1  
FINAL ACCOUNT FOR THE PERIOD 25 OCTOBER 2018 TO 18 SEPTEMBER 2020**

**NATURE OF THE REPORT**

Waystone Management (UK) Limited presents the Final Account of the DMS Salamanca Global Property Fund 1 for the period 25 October 2018 to 18 September 2020.

**COMPANY INFORMATION AND AUTHORISED STATUS**

DMS FCM Salamanca Global Property Fund 1 (the "Company") is an open-ended investment company with variable capital established in the United Kingdom pursuant to an authorisation order of the Financial Conduct Authority (FCA) on 7 June 2005 and is a qualified investor scheme under the terms of the rules contained in Chapter 8 of the Collective Schemes sourcebook published by the FCA as part of their Handbook of rules made under the Financial Services and Markets Act 2000 (the "FCA Rules").

The Company is incorporated with registration number IC000391 and shareholders are not liable for the debts of the Company.

The Head Office of the Company is 2nd Floor, 20-22 Bedford Row, Holborn, London WC1R 4EB and this is also the address for service of notices or other documents required or authorised to be served on the Company.

Waystone Management (UK) Limited (formerly DMS Investment Management Services (UK) Limited), the Authorised Corporate Director (the "ACD") of the Company, is the sole director.

**STATEMENT OF AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES**

The Collective Investment Schemes Sourcebook ("COLL"), as amended, requires the ACD to prepare a Final Account of the Company's winding-up for the period, showing how the winding-up has been conducted and how the scheme property has been disposed of.

In preparing this Final Account of the Company's winding-up, the ACD is required to:

- select suitable policies;
- make judgements and estimates that are reasonable and prudent; and
- comply with the Prospectus and Paragraph 7.3.8 (1) of the Collective Investment Schemes Sourcebook of the FCA.

The ACD is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable it to ensure that the financial statements comply with the COLL Sourcebook.

The ACD is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUTHORISED CORPORATE DIRECTOR'S STATEMENT**

The Final Account has been approved by the ACD.



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Waystone Management (UK) Limited  
30 September, 2022

## **DMS FCM SALAMANCA GLOBAL PROPERTY FUND 1 FINAL ACCOUNT FOR THE PERIOD 25 OCTOBER 2018 TO 18 SEPTEMBER 2020**

### **THE REASON FOR THE WINDING-UP**

Shareholders will be aware that the Company is predominantly invested in a residential developer called Ecocil Incorporações S.A. ("Ecocil"). This company operates in Natal, Brazil, and is generally considered to be one of Brazil's best residential developers. However, shareholders may also be aware of the material political and economic headwinds experienced throughout Brazil which in recent periods have impacted the Brazilian currency and the value of the Company's holding in Ecocil. Despite some excellent management by Ecocil in difficult recessionary conditions, from the advice received, the ACD believes it will still be a number of periods before there is a sustained recovery in the Brazilian economy sufficient to optimise any exit of the Company's holding in Ecocil.

In such circumstances the ACD would normally wait for a sustained recovery in the market. However, given the Company's small minority shareholding in Ecocil and the length of time that will be required to dispose of this remaining asset in Brazil as well as the Company's relatively low liquidity coupled with the ongoing cost structure of both the Company and its sub structures (relative to its size), the ACD has, in consultation with Investment Advisor, been reviewing the future of the Company. With the input of Investment Advisor, and only after consultation with the Company's Depositary, the ACD has concluded that once other minority investments Premier Four AD and Salokin Ltd are fully exited, it would be no longer in shareholders' best interests for the Company to remain in operation. This conclusion follows extensive consideration of alternative options for the Company, including its merger to a more appropriate vehicle to hold the Ecocil investment, but unfortunately, no such option has proved workable for all investors.

### **THE COMMENCING EVENT AND DATE**

Shareholders were informed of the intention to wind up the Company via the shareholder letter issued on 21 September 2018. On 25 October 2018, the ACD was granted the FCA's authorisation to proceed with the Company's winding-up as well as to extend the annual accounting period. The extension of the accounting period was requested to combine the usual annual audit with the required winding-up audit of the Company.

### **KEY ASPECTS OF HOW SCHEME PROPERTY HAS BEEN DISTRIBUTED**

Following the suspension of the Company's dealing, the Company's first in-specie transfer of its shareholders, who initially opted in for the in-specie distribution, was completed on 25 February 2020. The three remaining shareholders exited the Company by way of their shareholding transfer on 11 September 2020. The Company's last investor, who their shareholding was transferred to, was in-specie transferred to the Jersey Private Fund on 18 September 2020 marking the completion of the Company's closure.

### **THE DATE THE WINDING-UP WAS COMPLETED**

After the final in-specie transfer on 18 September 2020, the Company's winding-up process had ended.

A copy of the Company's Final Account and Auditor's Report will be sent to the FCA and be accessible via the ACD's website [www.waystone.com](http://www.waystone.com).

**DMS FCM SALAMANCA GLOBAL PROPERTY FUND 1  
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**REPORT OF THE INDEPENDENT AUDITOR TO THE SHAREHOLDERS  
OF DMS FCM SALAMANCA GLOBAL PROPERTY FUND 1 IN RESPECT OF THE FINAL ACCOUNT**

**Opinion**

We have examined the Final Account of the Fund (the 'Final Account') on page 5. The Final Account has been prepared by the Authorised Corporate Director (the 'ACD') for the purposes of rule 7.3.8(1) of the Collective Investment Schemes sourcebook ('COLL') issued by the Financial Conduct Authority (the 'FCA'). In our opinion, the Final Account has been properly prepared for the purposes of rule 7.3.8(1) of COLL.

**Basis for opinion**

We planned and performed our procedures so as to obtain all the information and explanations which we considered necessary in order to provide us with reasonable assurance that the Final Account has been properly prepared in accordance with the requirements.

**Respective responsibilities of the Authorised Corporate Director and the auditor**

Once the wind-up of the Fund is complete, the ACD is responsible for the preparation of the Final Account, which shows how the wind-up of the Company has been conducted and how the scheme property has been disposed of, in accordance with rule 7.3.8(1) of COLL.

We report to you our opinion as to whether the Final Account has been properly prepared for the purposes of rule 7.3.8(1) of COLL.

**Use of our report**

This report is made solely to the shareholders of the Fund, as a body, in accordance with rule 7.3.8(5) of COLL issued by the FCA. Our work has been undertaken so that we might state to the Fund's shareholders those matters that we are required to state to them under rule 7.3.8(5) of COLL and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's shareholders as a body, for our work, for this report, or for the opinion we have formed.



Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London

30 September, 2022

**DMS FCM SALAMANCA GLOBAL PROPERTY FUND 1**  
**FINAL ACCOUNT FOR THE PERIOD 25 OCTOBER 2018 TO 18 SEPTEMBER 2020**

**FINAL ACCOUNT**

Fund Year End **30 November 2019**  
Fund winding up commencement **25 October 2018**

Fund winding up mechanism **Return of capital to shareholders**

**25 October 2018 to 18 September 2020**

Fund net asset value as at 25 October 2018	£	<b>4,571,692</b>
Loss on Investments	£	<b>(2,304,291)</b>
Expenses		
Accounting and administration fee	£	<b>(13,046)</b>
Professional fees	£	<b>(12,689)</b>
Other expenses	£	<b>(978)</b>
Regulatory expenses	£	<b>(2,232)</b>
Less return of capital to shareholders		
	on 24 October 2018 £	<b>(21,133)</b>
	on 25 February 2020 £	<b>(2,063,323)</b>
	on 18 September 2020 £	<b>(154,001)</b>
Fund assets on the completion of winding up	£	<b>0</b>