

INVESTINVENT FUNDS SICAV PLC

Annual Report and Financial Statements
31 March 2011

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Management and administration

Directors:	Dr. David E. Griscti Mr. Erich Schnider Dr. Anton Tabone
Investment committee:	Dr. David E. Griscti Mr. Erich Schnider Two representatives of InvestInvent AG <i>(namely Mr. Grant Harper and Mr. Peer-J. Hoffmann)</i>
Company secretary:	Dr. David E. Griscti
Registered office:	168, St. Christopher Street Valletta VLT 1467 Malta
Company registration number:	SV36
Custodian and banker:	Bank Frick & Co. AG Landstrasse 14 9496 Balzers Principality of Liechtenstein
Portfolio manager:	Crystal Fund Management Landstrasse 14 9496 Balzers Principality of Liechtenstein
Investment advisor:	InvestInvent AG Bahnhofstrasse 24 8001 Zurich Switzerland
Administrator:	Crystal Fund Management Landstrasse 14 9496 Balzers Principality of Liechtenstein
Legal advisors:	David Griscti & Associates Law Firm 168, St. Christopher Street Valletta VLT 1467 Malta
Auditors:	PricewaterhouseCoopers 167, Merchant Street Valletta VLT 1174 Malta

Description

The Company, InvestInvent Funds SICAV plc is a collective investment scheme established as a multi-fund company with variable share capital. It is organised under the Laws of Malta as a multi-fund company with variable share capital (SICAV) pursuant to the Companies' Act 1995, Chapter 386 of the Laws of Malta.

The Company was registered on 31 August 2005 and is licensed by the Malta Financial Services Authority as a Professional Investor Fund. The Company has no employees.

The Company consists of two sub-funds; the InvestInvent Wind Energy Fund and the InvestInvent Alternative Energies Fund. The InvestInvent Wind Energy Fund invests in private equity of ecologically valuable projects that offer attractive long-term investment returns primarily in areas such as wind energy related and infrastructure related projects. The InvestInvent Alternative Energies Fund invests in private equity of ecologically valuable projects that offer attractive long-term investment returns primarily in alternative energy areas such as photovoltaic plants, wind energy projects and other related projects. There were no subscriptions in The InvestInvent Alternative Energies Fund as at 31 March 2011.

Directors' report

The directors present their report and the audited financial statements for the period ended 31 March 2011.

Principal activities

InvestInvent Funds SICAV plc is organised under the Laws of Malta as a multi-fund investment company with variable share capital (SICAV) pursuant to the Companies' Act, 1995.

Review of the business

The net asset value of the Company as at 31 March 2011 stood at €67,016,185 (31 December 2009: €40,464,303).

During the current period, the Company was late in the submission of one of the Scheme's reporting obligations. This matter was immediately rectified and no regulatory sanctions were imposed on the Company.

Results and dividends

The statement of comprehensive income is set out on page 8. The directors have paid an interim dividend of €392,368 (31 December 2009: €228,924) to the distributor class of shares of the InvestInvent Wind Energy Fund.

Directors

The directors of the Company who held office during the year were:

Dr. David E. Griscti
Mr. Erich Schnider
Dr. Anton Tabone

The Company's Articles of Association do not require any directors to retire.

Statement of directors' responsibilities for the financial statements

The directors are required by the Companies Act, 1995 to prepare financial statements which give a true and fair view of the state of affairs of the Company as at the end of each reporting period and of the profit or loss for that period.

In preparing the financial statements, the directors are responsible for:

- ensuring that the financial statements have been drawn up in accordance with International Financial Reporting Standards as adopted by the EU;
- selecting and applying appropriate accounting policies;
- making accounting estimates that are reasonable in the circumstances;
- ensuring that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Company will continue in business as a going concern.

Directors' report - continued

Statement of directors' responsibilities for the financial statements – continued

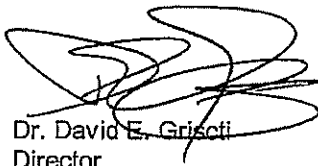
The directors are also responsible for designing, implementing and maintaining internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and that comply with the Companies Act, 1995. They are 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.

The financial statements of InvestInvent Funds SICAV plc for the period ended 31 March 2011 are included in the Annual Report 2011, which is published in hard-copy printed form and may be made available on the Company's website. The directors are responsible for the maintenance and integrity of the Annual Report on the website in view of their responsibility for the controls over, and the security of, the website. Access to information published on the Company's website is available in other countries and jurisdictions, where legislation governing the preparation and dissemination of financial statements may differ from requirements or practice in Malta.


Auditors

PricewaterhouseCoopers have indicated their willingness to continue in office and a resolution for their re-appointment will be proposed at the Annual General Meeting.

On behalf of the board



Dr. David E. Griesti
Director



Mr. Erich Schnider
Director

Registered office
168, St. Christopher Street
Valletta VLT 1467
Malta

13 September 2011



Independent auditor's report

To the Shareholders of InvestInvent Funds SICAV plc

Report on the Financial Statements for the year ended 31 March 2011

We have audited the financial statements of InvestInvent Funds SICAV plc on pages 7 to 25 which comprise the statement of financial position as at 31 March 2011 and the statement of comprehensive income, statement of changes in net assets attributable to holders of redeemable shares and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

As explained more comprehensively in the Statement of directors' responsibilities for the financial statements on pages 3 and 4, the directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU as modified by Article 172 of the Maltese Companies Act, 1995 and the requirements of the said Act, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the financial statements:

- give a true and fair view of the financial position of the company as at 31 March 2011 and of its financial performance and its cash flows for the year then ended in accordance with IFRSs as adopted by the EU as modified by Article 172 of the Maltese Companies Act, 1995; and
- have been properly prepared in accordance with the requirements of the said Act.



Independent auditor's report - continued

Report on Other Legal and Regulatory Requirements

We also have responsibilities under the Maltese Companies Act, 1995 to report to you if, in our opinion:

- The information given in the directors' report is not consistent with the financial statements.
- Adequate accounting records have not been kept, or that returns adequate for our audit have not been received from branches not visited by us.
- The financial statements are not in agreement with the accounting records and returns.
- We have not received all the information and explanations we require for our audit.
- Certain disclosures of directors' remuneration specified by law are not made in the financial statements, giving the required particulars in our report.

We have nothing to report to you in respect of these responsibilities.

PricewaterhouseCoopers

167 Merchants Street
Valletta
Malta

A handwritten signature in blue ink, appearing to read 'Lucienne Pace Ross'.

Lucienne Pace Ross
Partner

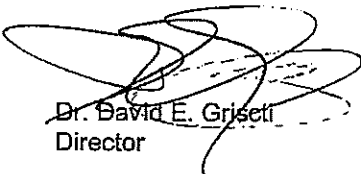
13 September 2011


Statement of financial position

		As at 31 March	As at 31 December
	Notes	2011 €	2009 €
ASSETS			
Investment in subsidiary undertakings	4	49,454,000	32,648,624
Amounts due from subsidiary undertakings	5	2,767,359	1,068,770
Trade and other receivables	6	40,784	265,078
Cash and cash equivalents	7	6,237,914	1,636,832
Total assets		58,500,057	35,619,304
LIABILITIES			
Trade and other payables	8	150,588	95,607
Net assets attributable to holders of redeemable shares <i>(valuation of investment in subsidiary undertakings at cost, net of any accumulated impairment losses)</i>		58,349,469	35,523,697
Adjustment for the determination of fair value of redeemable shares	10	8,666,716	4,940,606
Net assets attributable to holders of redeemable shares <i>(valuation of investment in subsidiary undertakings at fair value)</i>	10	67,016,185	40,464,303
Salient statistics			
		'B' Class	'C' Class
		Units	Units
Shares in issue as at 31 March 2011	9	361,555.55	192,082.92
Shares in issue as at 31 December 2009	9	263,337.19	90,818.70
Shares in issue as at 31 December 2008	9	181,883.55	88,428.24
		€	€
Net asset value per share as at 31 March 2011		120.13	122.77
Net asset value per share as at 31 December 2009		113.99	115.01
Net asset value per share as at 31 December 2008		109.92	109.92

The notes on pages 11 to 25 are an integral part of these financial statements.

The financial statements on pages 7 to 25 were authorised for issue by the board on 13 September 2011 and were signed on its behalf by:


Dr. David E. Grisetti
Director


Mr. Erich Schnider
Director

Statement of comprehensive income

		Period from 1 January 2010 to 31 March 2011	Year ended 31 December 2009
	Notes	€	€
Income			
Interest income	11	147,762	168,861
Dividend income		-	490,000
Other operating income	12	481,252	168,533
Total net income		629,014	827,394
Expenses			
Management and administration fees	13	1,107,871	637,294
Custodian fees	13	116,513	67,189
Directors' remuneration	16	37,500	30,000
Other legal and professional fees		92,293	75,852
Impairment (reversal)/charge	3	(269,591)	1,140,591
Total operating expenses		1,084,586	1,950,926
Operating loss		(455,572)	(1,123,532)
Finance costs			
Distributions to holders of redeemable shares	14	(392,368)	(228,924)
Loss after distributions and before tax		(847,940)	(1,352,456)
Tax income/(expense)	15	38,782	(79,048)
Loss after distributions and tax		(809,158)	(1,431,504)
Adjustment for the determination of fair value of redeemable shares	10	3,726,110	2,860,780
Net increase in net assets attributable to holders of redeemable shares during the period/year		2,916,952	1,429,276

The notes on pages 11 to 25 are an integral part of these financial statements.

Statement of changes in net assets attributable to holders of redeemable shares

		Period from 1 January 2010 to 31 March 2011	Year ended 31 December 2009
	Notes	€	€
Net assets attributable to holders of redeemable shares at beginning of the period/year <i>(valuation of investment in subsidiary undertakings at cost, net of any accumulated impairment losses)</i>		35,523,697	27,631,687
Adjustment for the determination of fair value of redeemable shares	10	4,940,606	2,079,826
Net assets attributable to holders of redeemable shares at beginning of the period/year <i>(valuation of investment in subsidiary undertakings at fair value)</i>		40,464,303	29,711,513
Proceeds from redeemable shares issued	9	28,744,156	17,353,999
Redemption of redeemable shares	9	(5,109,226)	(8,030,485)
Net increase from share transactions		23,634,930	9,323,514
Loss after distributions and tax		(809,158)	(1,431,504)
Adjustment for the determination of fair value of redeemable shares	10	3,726,110	2,860,780
Net increase in net assets attributable to holders of redeemable shares during the period/year		2,916,952	1,429,276
Net assets attributable to holders of redeemable shares at end of the period/year <i>(valuation of investments in subsidiary undertakings at fair value)</i>		67,016,185	40,464,303

The notes on pages 11 to 25 are an integral part of these financial statements.

The adjustments for valuation of investment in subsidiary undertakings and amortisation of formation expenses (Note 10) represent the only equity component. There are no other balances or movements of equity for the period/year.

Statement of cash flows

		Period from 1 January 2010 to 31 March 2011	Year ended 31 December 2009
	Notes	€	€
Cash flows from operating activities			
Interest received		122,056	21,680
Dividend income received		-	490,000
Other operating income		481,252	168,533
Operating expenses paid		(1,220,147)	(818,242)
Tax paid		(40,267)	-
Acquisitions of investment in subsidiary undertakings	4	(16,535,785)	(11,683,564)
Proceeds from sale of investment in subsidiary undertakings	4	250,000	250,000
Net movement in amounts due from subsidiary undertakings	5	(1,698,589)	(850,000)
Net cash used in operating activities		(18,641,480)	(12,421,593)
Cash flows from financing activities			
Amounts received on creation of redeemable shares	9	28,744,156	17,353,999
Amounts paid on redemption of redeemable shares	9	(5,109,226)	(8,030,485)
Distributions to holders of redeemable shares	14	(392,368)	(228,924)
Net cash generated from financing activities		23,242,562	9,094,590
Net movement in cash and cash equivalents		4,601,082	(3,327,003)
Cash and cash equivalents at beginning of the period/year		1,636,832	4,963,835
Cash and cash equivalents at end of the period/year	7	6,237,914	1,636,832

The notes on pages 11 to 25 are an integral part of these financial statements.

Notes to the financial statements

1. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

1.1 Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU as modified by Article 172 of the Maltese Companies Act, 1995 and the requirements of the said Act.

On the basis of the declaration made by the directors, that the Company qualifies as a financial holding Company within the meaning of Article 2 (1) of the Act and that it satisfies the requirements of paragraphs (a), (b) and (c) of Article 172 (1), the Malta Financial Services Authority granted an exemption to InvestInvent Funds SICAV plc from preparing consolidated financial statements, by a letter dated 11 May 2011. Accordingly, consolidated financial statements have not been prepared. The financial statements have been prepared under the historical cost convention.

By virtue of a directors' resolution dated 23 July 2010, the Company's directors agreed to change the accounting reference date from 31 December to 31 March. Accordingly, these financial statements report on the figures for the fifteen month period from 1 January 2010 to 31 March 2011, whilst comparative financial information covers the year from 1 January 2009 to 31 December 2009.

The preparation of financial statements in conformity with IFRSs as adopted by the EU requires the use of certain accounting estimates. It also requires directors to exercise their judgement in the process of applying the Company's accounting policies (see Note 3 – Critical accounting estimates and judgements).

Standards, interpretations and amendments to published standards effective 1 January 2010

In 2010, the Company adopted new standards, amendments and interpretations to existing standards that are mandatory for the Company's accounting period beginning on 1 January 2010. The adoption of these revisions to the requirements of IFRSs as adopted by the EU did not result in substantial changes to the Company's accounting policies.

Standards, interpretations and amendments to published standards that are not yet effective

IFRS 9, 'Financial instruments', addresses the classification and measurement of financial assets, and replaces the multiple classification and measurement tools in IAS 39 with a single model that only has two classification categories: amortised cost and fair value. Classification under IFRS 9 will be driven by the entity's business model for managing the financial assets and the contractual characteristics of the financial assets. Subject to adoption by the EU, IFRS 9 will be effective for financial periods beginning on, or after, 1 January 2013. The Company is considering the implications of the standard and its impact on the Company's financial results and position.

1. Summary of significant accounting policies - continued

1.2 Foreign currency translation

(a) Functional and presentation currency

The Fund's investors are mainly from the eurozone, with the subscriptions and redemptions of the redeemable shares denominated in Euro. The performance of the Fund is measured and reported to the investors in Euro. The Directors consider the Euro as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in Euro, which is the Fund's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the reporting date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

1.3 Investment in subsidiary undertakings

Investment in subsidiary undertakings are accounted for by the cost method of accounting.

The Company assesses at the end of each reporting period whether there is objective evidence that an investment in subsidiary is impaired. An investment in subsidiary is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the subsidiaries that can be reliably estimated. The criteria that the Company uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the subsidiary;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- It becomes probable that the subsidiary will enter bankruptcy or other financial reorganisation;
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from the subsidiaries since the initial recognition of those assets.

The Company first assesses whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the subsidiaries' carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the subsidiaries' original effective interest rate. The subsidiaries' carrying amount of the asset is reduced and the amount of the loss is recognised in the statement of comprehensive income.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in the statement of comprehensive income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive income.

1. Summary of significant accounting policies - continued

1.4 Financial assets

1.4.1 Classification

The Company classifies its financial assets in the loans and receivables category. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides money, goods or services directly to a debtor with no intention of trading the asset. They are included in current assets, except for maturities greater than 12 months after the reporting period. These are classified as non-current assets.

1.4.2 Recognition and measurement

The Company recognises a financial instrument in its statement of financial position when it becomes a party to the contractual provisions of the instrument. Loans and receivables are initially recognised at fair value plus transaction costs. All regular way transactions in assets classified in the loans and receivables category are accounted for using settlement date accounting, i.e. on the date an asset is delivered to or by the entity. Loans and receivables are subsequently carried at amortised cost using the effective interest method. Amortised cost is the initial measurement amount adjusted for the amortisation of any difference between the initial and maturity amounts using the effective interest method. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership or has not retained control of the financial asset.

The company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. If there is objective evidence that an impairment loss on loans and receivables has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Impairment testing of trade receivables is described in Note 1.5.

1.5 Other receivables and payables

Other receivables and payables represent amounts receivable and payable respectively, for transactions contracted for but not yet delivered by the end of the period.

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

1. Summary of significant accounting policies - continued

1.6 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown in current liabilities in the statement of financial position.

1.7 Redeemable shares

The Company issues redeemable shares which are redeemable at the holders' option and is classified as a financial liability. Redeemable shares can be put back to the respective sub-fund at any time for cash equal to a proportionate share of the sub-fund's net asset value. The redeemable shares are carried at fair value.

Redeemable shares are issued and redeemed at the holder's option at prices based on the sub-fund's net asset value per share at the time of issue or redemption. The sub-fund's net asset value per share is calculated by dividing the net assets attributable to the holders of each redeemable share with the total number of outstanding redeemable shares.

1.8 Revenue recognition

All distributions from investment in subsidiary undertakings are recognised as income in the statement of comprehensive income when received to the extent that such amounts are paid from economic earnings of the applicable investment.

Interest income from financial assets not classified as fair value through income is recognised using the effective interest method.

1.9 Accrued expenses

Accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

1.10 Distributions payable to holders of redeemable shares

Dividend distributions to holders of the distributor shares are recognised in the period in which the dividends are declared. Dividend distributions are recognised as a finance cost in the statement of comprehensive income.

2. Financial risk management

2.1 Financial risk factors

The Company's activities potentially expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk.

(a) Market risk

(i) Foreign exchange risk

Currency fluctuations between the functional currency of the Company and the currency of the underlying investments of the Company, may adversely affect the value of investments and the income derived thereon.

The Company is not exposed to significant foreign exchange risk as the majority of the Company's transactions, assets and liabilities are denominated in Euro.

(ii) Fair value and cash flow interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flow. The Company holds interest-bearing assets, which represent amounts due from subsidiary undertakings. These are subject to fixed interest rates and are measured at amortised cost. Accordingly, the Company is not exposed to fair value interest rate risk.

The Company also holds bank balances that are subject to floating interest rates and expose the Company to cash flow interest rate risk. Management monitors the impact of changes in market interest rates on amounts reported in the statement of comprehensive income in respect of these instruments. Based on this analysis, management considers the potential impact on profit or loss of a defined interest rate shift that is reasonably possible at the end of the reporting period to be immaterial.

(iii) Price risk

Details of key assumptions and sensitivity with respect to subsidiary undertakings are provided in Note 3. The impact of the change to key assumptions supporting the recoverable amount of subsidiary undertakings as at the reporting date is disclosed in Note 3 to the financial statements.

(b) Credit risk

The Company is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's exposure to credit risk as at the end of the reporting date is analysed as follows:

2. Financial risk management - continued

2.1 Financial risk factors - continued

(b) Credit risk - continued

	As at 31 March 2011 €	As at 31 December 2009 €
Loans and receivables category:		
Amounts due from subsidiary undertakings	2,767,359	1,068,770
Trade and other receivables	40,784	265,078
Cash and cash equivalents	6,237,914	1,636,832
	9,046,057	2,970,680

The Company is subject to credit risk on amounts due from subsidiary undertakings. The credit quality of amounts due from subsidiary undertakings within the investment portfolio is based on the financial performance of subsidiary undertakings. Impairments are made when the valuation of the subsidiary undertakings imply non-recovery of all or part of the Company's loan investment. Management does not expect any losses from non-performance, and believes that the risk of default is small and that capital repayments and interest payments will be made in accordance with the agreed terms and conditions.

The Company's trade and other receivables mainly constitute receivables on sale of investments in subsidiary undertakings and accrued income and are all short term. The maximum exposure to credit risk at the end of the reporting period in respect of the financial assets mentioned above is equivalent to their carrying amount as disclosed in the respective notes to the financial statements. The Company does not hold any collateral as security in this respect.

Cash and cash equivalents are mainly held with a single financial institution. The Company banks only with financial institutions with high quality standing.

(c) Liquidity risk

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations as they fall due.

The Company is exposed to monthly cash redemptions of redeemable shares. The Company is exposed to a significant level of liquidity risk in view of its investments which are not quoted, listed or normally dealt in, on or under the rules of a regulated market. The market prices for such investments may be volatile and may not be readily ascertainable. Accordingly amounts realised from investments sold may differ from the valuation as determined for pricing purposes, and the differences could be material. Furthermore, the assets of the sub-fund are concentrated in the wind energy sector. Accordingly, the investment portfolio of the sub-fund may be subject to more concentration risk than would be the case if the sub-fund were to maintain a wide diversification among investments or industry sectors.

The Company has the ability to borrow to meet short-term liquidity requirements. The portfolio manager monitors the Company's liquidity position on a regular basis. Redeemable shares are redeemed on demand at the holder's option. All other liabilities are due within less than one month.

3. Critical accounting estimates and judgements

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

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Estimated impairment/recoverable amounts of investments in subsidiary undertakings

The Company tests annually whether the investments in subsidiary undertakings suffered any impairment, in accordance with the accounting policy stated in Note 1.3. Each investment in subsidiary is considered as a separate cash-generating unit.

The recoverable amount (fair value) of each cash-generating unit has been determined based on projected future net cash flows, appropriately adjusted for taxation and discounted by a risk adjusted discount rate. In assessing the projected cash flows the directors assume a long term view of a maintainable level of investment return. This valuation requires the use of a number of assumptions, mainly relating to the revenue generation of each wind farm depending on the average wind speed over the lifetime of the projects. This valuation is inherently uncertain and assumptions are reviewed on an annual basis as experience and the reliability of the estimation process develop.

The use of fair value is not only critical for the impairment assessment of the subsidiary undertakings, but also to determine the fair value of the net assets attributable to holders of redeemable shares, that are classified as a liability. As mentioned above, the principal assumptions used mainly relate to projected revenues from the wind farms. Accordingly, if the projected revenues for the cash-generating units had been 3% higher/(lower) than management's estimates at 31 March 2011, the Fund's net assets attributable to holders of redeemable shares would increase/(decrease) by €7.4m.

Another key variable used in the determination of the fair value of the net assets attributable to holders of redeemable shares is the discount rate. If the discount rate used in the discounted future cash flows for the cash-generating units had been 1% higher/(lower), all other things being equal, the Fund's net assets attributable to holders of redeemable shares would (decrease)/increase by (€11.9m)/€13.3m respectively.

4. Investment in subsidiary undertakings

The investment in subsidiary undertakings are shown below:

Subsidiary undertakings	Registered office	Class of shares held	Percentage of shares held	
			31 March 2011	31 December 2009
InvestInvent Energy GmbH	Zeppelinstrasse 1 12529, Schönefeld Germany	Ordinary shares in a limited liability company	100%	100%
Windkraft Beteiligungsgesellschaft mbH & Co. Windpark Krummensee KG <i>(project Krummensee)</i>	Stauline 14, 26122, Oldenburg Düsseldorf Germany	Limited partner in a limited partnership	55%	55%
Société d'exploitation éolienne de Momerstroff SAS <i>(project Momerstroff)</i>	2, Place De Leglise 57220 Mommerstroff France	Ordinary shares in a limited liability company	95%	95%
Windpark Hauteurs de Gâtine Beteiligungs GmbH <i>(project Hauteurs de Gâtine)</i>	Am Torfstich 11 31234, Edemissen Germany	Ordinary shares in a limited liability company	100%	-
InvestInvent 1. Windpark GmbH & Co. KG <i>(project Nateln)</i>	Zeppelinstrasse 1 12529, Schönefeld Germany	Limited partner in a limited partnership	100%	100%
InvestInvent 2. Windpark GmbH & Co. KG <i>(project Petersdorf I)</i>	Zeppelinstrasse 1 12529, Schönefeld Germany	Limited partner in a limited partnership	100%	100%
InvestInvent 5. Windpark GmbH & Co. KG <i>(project Dübrichen-Priessen)</i>	Neur Wall 42, 20354, Hamburg Germany	Limited partner in a limited partnership	100%	100%
InvestInvent 7. Windpark GmbH & Co. KG <i>(project Trattendorf)</i>	Zeppelinstrasse 1 12529, Schönefeld Germany	Limited partner in a limited partnership	100%	100%
InvestInvent 8. Windpark GmbH & Co. KG <i>(project Rottelsdorf)</i>	Zeppelinstrasse 1 12529, Schönefeld Germany	Limited partner in a limited partnership	100%	100%

4. Investment in subsidiary undertakings – continued

InvestInvent 9. Windpark GmbH & Co. KG <i>(project Oyten-Ost)</i>	Zeppelinstrasse 1 12529, Schönefeld Germany	Limited partner in a limited partnership	100%	100%
InvestInvent 10. Windpark GmbH & Co. KG <i>(project Oyten-West)</i>	Zeppelinstrasse 1 12529, Schönefeld Germany	Limited partner in a limited partnership	100%	100%
InvestInvent 11. Windpark GmbH & Co. KG <i>(project Radegast)</i>	Zeppelinstrasse 1 12529, Schönefeld Germany	Limited partner in a limited partnership	100%	100%
InvestInvent 16. Windpark GmbH & Co. KG <i>(project Steinau)</i>	Neur Wall 42, 20354, Hamburg Germany	Limited partner in a limited partnership	100%	100%
InvestInvent 17. Windpark GmbH & Co. KG <i>(project Stretense I and Panschow I)</i>	Neur Wall 42, 20354, Hamburg Germany	Limited partner in a limited partnership	100%	100%
Windpark Stretense Eins GmbH & Co. KG <i>(project Panschow II)</i>	Neur Wall 42, 20354, Hamburg Germany	Limited partner in a limited partnership	100%	100%
InvestInvent 18. Windpark GmbH & Co. KG <i>(project Petersdorf II)</i>	Neur Wall 42, 20354, Hamburg Germany	Limited partner in a limited partnership	100%	100%
InvestInvent 19. Windpark GmbH & Co. KG <i>(project Oelsig)</i>	Neur Wall 42, 20354, Hamburg Germany	Limited partner in a limited partnership	100%	100%
InvestInvent 20. Windpark GmbH & Co. KG <i>(project Bad Berleburg)</i>	Neur Wall 42, 20354, Hamburg Germany	Limited partner in a limited partnership	100%	100%
InvestInvent 21. Windpark GmbH & Co. KG <i>(project Birkholz)</i>	Neur Wall 42, 20354, Hamburg Germany	Limited partner in a limited partnership	100%	-
InvestInvent 22. Windpark GmbH & Co. KG <i>(project Wölsickendorf)</i>	Neur Wall 42, 20354, Hamburg Germany	Limited partner in a limited partnership	100%	-

4. Investment in subsidiary undertakings - continued

	As at 31 March 2011 €	As at 31 December 2009 €
Period/year ended		
Opening net book amount	32,648,624	18,966,651
Additions	16,535,785	11,683,564
Impairment charge (Note 3)	(871,000)	(1,140,591)
Impairment reversal (Note 3)	1,140,591	-
Loans transferred to equity	-	3,139,000
Closing net book amount	49,454,000	32,648,624

	As at 31 March 2011 €	As at 31 December 2009 €
Period/year ended		
Accumulated cost	50,325,000	33,789,215
Accumulated impairment losses	(871,000)	(1,140,591)
Closing net book amount	49,454,000	32,648,624

5. Amounts due from subsidiary undertakings

	31 March 2011 €	31 December 2009 €
Loans to subsidiary undertakings	2,767,359	1,068,770

Amounts due from subsidiary undertakings are subject to a fixed interest rate of 6% (31 December 2009: 9%), non-secured and have no fixed date of repayment.

6. Trade and other receivables

	31 March 2011 €	31 December 2009 €
Sales awaiting settlement	-	250,000
Accrued interest	40,784	15,078
	40,784	265,078

7. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

	31 March 2011	31 December 2009
	€	€
Cash at bank	2,914	11,832
Deposits held at call with banks	6,235,000	1,625,000
	6,237,914	1,636,832

8. Trade and other payables

	31 March 2011	31 December 2009
	€	€
Accrued expenses	150,588	95,607
	150,588	95,607

9. Redeemable shares

Authorised share capital

	31 March 2011	31 December 2009
	No. of shares	No. of shares
'A' voting shares	1,500	1,500
'B' and 'C' non-voting shares	500,000,000	500,000,000
	500,001,500	500,001,500

Issued and fully-paid up share capital

As at 31 March 2011	'A' voting class No. of shares	'B' Distributor class (non-voting) No. of shares	'C' Accumulator class (non-voting) No. of shares
Redeemable shares in issue at beginning of period	1,500	263,337.19	90,818.70
Creation of redeemable shares	-	138,029.72	104,601.27
Redemption of redeemable shares	-	(39,811.36)	(3,337.05)
	1,500	361,555.55	192,082.92

9. Redeemable shares - continued

As at 31 December 2009	'A' voting class No. of shares	'B' Distributor class (non-voting) No. of shares	'C' Accumulator class (non-voting) No. of shares
Redeemable shares in issue at beginning of year	1,500	181,883.55	88,428.24
Creation of redeemable shares	-	125,355.09	30,179.33
Redemption of redeemable shares	-	(42,901.45)	(28,788.87)
Switches	-	(1,000.00)	1,000.00
Redeemable shares in issue at end of year	1,500	263,337.19	90,818.70

The above issued share capital includes 1,500 'A' voting shares. The voting shares do not carry a right to participate in any dividends or other distributions of the Company, if applicable, or in the assets of the Company on a winding up (except repayment of paid up capital following settlement of any and all amounts due to the non-voting shares). The non-voting shares do participate in the assets of the Company, in any dividend distributions, if applicable, and in any distributions of the Company in the event of liquidation.

All shares issued after the initial share capital may be redeemed at prices based on the value of the Fund's net assets in accordance with its Articles of Association.

The Company may mandatorily redeem all outstanding shares where the net asset value of the shares in the Company falls below €2,500,000 (or its equivalent).

The relevant movements are shown above and in the statement of changes in net assets attributable to holders of redeemable shares. In accordance with the objectives outlined in the prospectus and the risk management policies in Note 2, the Company endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

10. Net asset value per share

Redeemable shares represent a liability in the statement of financial position, and are carried at fair value in these financial statements. In order to establish the fair value of redeemable shares, a valuation model is applied to the investments in subsidiary undertakings. The valuation model for the investments in subsidiary undertakings being applied for pricing purposes is based on the amortised cost of the project, the average projected profits over the term of the project multiplied by the number of years since the start of project, less any dividends received to date. The fair value of the investments in subsidiaries, for IFRS purposes, is based on projected future net cash flows, appropriately adjusted for taxation and discounted by a risk adjusted discount rate. The results of the different valuation methodologies were considered to be within a reasonable range.

The fair valuation of the redeemable shares gives rise to differences in relation to the measurement of the investments in subsidiary undertakings. For financial statements, investments in subsidiary undertakings are being measured at cost net of any accumulated impairment losses within the statement of financial position. These differences amount to €8,666,716 (31 December 2009: €4,929,840) and are disclosed in the statement of financial position. The movement of €3,736,876 (31 December 2009: €2,871,780) is recognised in the statement of comprehensive income.

10. Net asset value per share - continued

Timing differences also exist in the recognition of formation expenses between the methodology applied for pricing purposes in accordance with the sub-fund's Offering Memorandum and IFRSs as adopted by the EU. These differences amount to € nil (31 December 2009: €10,766) and are disclosed in the statement of financial position as detailed below. The movement of €10,766 (31 December 2009: €11,000) is recognised in the statement of comprehensive income.

	31 March 2011 €	31 December 2009 €
Net assets attributable to holders of redeemable shares <i>(valuation of investment in subsidiary undertakings at cost, net of any accumulated impairment losses)</i>	58,349,469	35,523,697
Adjustment for valuation of investment in subsidiary undertakings	8,666,716	4,929,840
Adjustment for amortisation of formation expenses	-	10,766
Net assets attributable to holders of redeemable shares <i>(valuation of investment in subsidiary undertakings at fair value)</i>	67,016,185	40,464,303

11. Interest income

	Period from 1 January 2010 to 31 March 2011 €	Year ended 31 December 2009 €
Interest income from amounts due to subsidiary undertakings	142,895	140,802
Interest income from cash and cash equivalents	4,867	9,250
Other interest	-	18,809
	147,762	168,861

12. Other operating income

Other operating income consists of initial charges and commissions, amounting to a maximum of 5% of the invested capital in the sub-fund.

13. Fees

(a) Portfolio management, consultancy and administration fees

The portfolio manager, Crystal Fund Management AG, receives a management fee of 0.85% per annum of the net asset value of the sub-fund.

In addition, the sub-fund shall have the right to accrue up to 0.95% based on the net asset value of the sub-fund for consultancy and advisory fees it may incur on an ongoing basis in relation to its underlying business.

Crystal Fund Management AG, also receives an administration fee of 0.1% per annum of the net asset value of the sub-fund.

(b) Custodian fees

The Custodian, Bank Frick & Co AG, receives a custody fee of 0.2% per annum of the net asset value of the sub-fund.

(c) Performance fees

The portfolio manager receives a performance fee calculated at 20% on the net return made by the sub-fund on a per annum basis, i.e. the rise-in-value sum on a per annum basis less all costs and less any prior losses not yet compensated for in previous years subject to certain conditions being satisfied.

(d) Auditor's remuneration

Fees charged by the auditor for services rendered during the financial period/year relate to the following:

	Period from 1 January 2010 to 31 March 2011 €	Year ended 31 December 2009 €
Annual statutory audit	17,000	19,500

14. Distributions payable to holders of redeemable shares

During the period/year ended 31 March 2011, distributions amounting to €392,368 (31 December 2009: €228,924) were declared, equivalent to a net distribution per share of €1.50 (31 December 2009: €1.00).

Following the reporting date, the directors resolved to recommend and approve the payment of an interim net dividend of €0.40 per share to the holders of the non-voting Class B distributor class, as appearing on the share register of the Company as at 31 July 2011, amounting to €125,439.

15. Tax expense

The tax regime for collective investment schemes is based on the classification of funds into prescribed or non-prescribed funds in terms of the conditions set out in the Collective Investment Schemes (Investment Income) Regulations, 2001 (as amended). In general, a prescribed fund is defined as a resident fund, which has declared that the value of its assets situated in Malta amount to at least eighty-five percent of the value of the total assets of the fund.

Any sub-fund of the Company which is classified as a prescribed fund is subject to Maltese tax on its investment income as defined in the Income Tax Act at a rate of 10% or 15% depending on the nature of the income. On the other hand, any sub-fund which is classified as a non-prescribed fund is not subject to tax on its income or gains (other than any income from immovable property situated in Malta) but resident investors therein may be subject to a 15% final withholding tax on capital gains realised on a redemption of units. However, the investor may request the Company not to effect the deduction of the said 15% withholding tax, in which case the investor would be required to declare the gains in his income tax return and will be subject to tax at the normal rates of tax.

In the case of the Company's foreign investments, any capital gains, dividends, interest and other gains or profits may be subject to tax imposed by the country of origin concerned and such taxes may not be recoverable by the Company or by its shareholders.

The tax expense during the year ended 31 December 2009 represents capital gains tax on investments sold in prior year. This was settled during the period ended 31 March 2011.

16. 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.

(a) Tourbillion Holdings Limited is the ultimate controlling party of InvestInvent Funds SICAV plc, as it holds all the voting shares of the Company. Dr. David Griscti, who is a director of the Company, is also a director of Tourbillion Holdings Limited. Dr. David Griscti is also the ultimate controlling party of Tourbillion Holdings Limited.

(b) Under the terms of an agreement dated 31 August 2005, the Company appointed Crystal Fund Management AG to provide management and administration services for fees as specified in Note 13(a). The fees charged for the reporting period are disclosed in the statement of comprehensive income. Crystal Fund Management AG is a 100% subsidiary of Bank Frick & Co AG. The Directors also consider Crystal Fund Management AG as a related party due to a common director.

(c) Under the terms of an agreement dated 31 August 2005, the Company appointed Bank Frick & Co. AG to provide custody services for fees as specified in Note 13(b). The fees due for the reporting period are disclosed in the statement of comprehensive income.

(d) The Company's legal advisors are David Griscti & Associates Law Firm. Dr. David Griscti, who is a director of the Company, is also a partner of David Griscti & Associates Law Firm. Expenses charged by David Griscti & Associates Law Firm for the year ended 31 March 2011 amounted to €19,500 (31 December 2009: €30,895).

(e) InvestInvent Funds SICAV plc is the parent company of the subsidiary undertakings disclosed in Note 4. The Company received dividends amounting to € nil (31 December 2009: €490,000) during the current financial period. InvestInvent Funds SICAV plc has also granted loans to subsidiary undertakings as disclosed in Note 5. Interest earned and interest receivable as at the reporting date are disclosed in Note 11 and 6 respectively.