

Guaranteed Investment Products 1 PCC Limited

Annual Financial Report and Audited Financial Statements

for the year ended 31 March 2018

Company Registration No: 42754

Guaranteed Investment Products 1 PCC Limited (the “Company”)

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**Guaranteed Investment Products 1 PCC Limited (the “Company”)
DIRECTORS’ REPORT
For the year ended 31 March 2018**

The directors are pleased to present their Annual Financial Report and Audited Financial Statements for the year ended 31 March 2018.

INCORPORATION AND STRUCTURE

Guaranteed Investment Products 1 PCC Limited (the “Company”) is a Guernsey-incorporated, closed-ended, protected cell company incorporated on 26 January 2005. The structure of the Company allows different cells to be created from time to time at the discretion of the directors for the purpose of segregating and protecting the assets of each cell, each with its own investment objective and policy and portfolio of assets. Persons investing in, or dealing with, a cell of the Company only have recourse, and their interests are limited, to the assets attributable to that cell from time to time, and they have no recourse to the assets of any other cell.

The Company has appointed Santander UK plc (“Santander”) as its investment advisor. This took effect from 17 January 2018, novating the previous agreement in place with Abbey National Treasury Services Limited (“ANTS”), a subsidiary of Santander. This took place due to certain UK regulatory developments requiring the largest UK banks to separate their core retail banking activities from their investment banking activities. As a result of this Santander had informed the Company that it would be prohibited from guaranteeing ANTS’s obligations from 1 January 2019. Therefore, in order to preserve the Company’s recourse to Santander in respect of the Plan Investments of any protected cells the preference shares in which had not matured before 1 January 2019, Santander novated such Plan Investments (and the corresponding Determination Agency Agreements) from ANTS to Santander. Throughout these financial statements, references to the “Investment Advisor” refer to the investment advisor in place as described above.

The Company’s non-cellular equity comprises two Management Shares of £1 each fully paid which are held by Anson Custody Limited and Anson Registrars Limited respectively under a declaration of trust in favour of the Company’s secretary and administrator. Subject to The Companies (Guernsey) Law 2008 (as amended) (the “Law”), on a winding-up, the holders of Management Shares are entitled, after payment of all creditors of the Company and after a return of capital to the holders of Cell Shares and Nominal Shares, to be repaid an amount equal to the amount paid up on the Management Shares and all remaining assets in the Company which are not otherwise attributable to any Cell of the Company.

The Company currently has 36 cells (48 as at 31 March 2017) established in accordance with the “Law”. The Company currently has 663 million issued redeemable participating preference shares of 0.0001 pence each designated as a Protected Cell Guaranteed Share in a particular cell of the Company (the “Shares”). For regulatory purposes the Company is an authorised closed-ended fund in accordance with Section 8 of The Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended and The Authorised Closed-Ended Investment Schemes Rules 2008.

The Company has an unlimited life but the Shares issued in respect of each protected cell have a maturity date on which they are compulsorily redeemed. On the maturity date of the protected cell shares, shareholders receive the Investment Return per Share attributable to that protected cell. Details of the maturity date for the Shares issued in respect of each protected cell are set out in the securities note for that protected cell which can be found on the Company’s website at <http://www.jtcgroup.com/gipl>.

The Company is a self managed, third country alternative investment fund (“AIF”) and as such has chosen to comply with the Alternative Investment Fund Managers Directive (“AIFMD”) by registering all cells launched after 1 July 2014 under the United Kingdom National Private Placement Regime and complying with all relevant reporting requirements in respect of this. By virtue of the relevant cells of the Company having no employees, and being self managed there are no remuneration disclosures to be made pursuant to Article 22 of the AIFMD. There have been no material changes to the information previously provided to investors required to be disclosed under Article 22 of the AIFMD.

INVESTMENT OBJECTIVE AND POLICY

The Company’s main objective is to achieve the investment return applicable to Shares issued in respect of each protected cell launched.

The assets of each protected cell are invested in accordance with the investment objectives and policies of that protected cell as set out in the individual cell’s securities note. The only source of funding available to the Company to acquire and/or enter into and/or support the plan investments designed to fund the amounts payable in respect of any protected cell Shares and/or any other amounts payable by the Company in connection with such Shares will derive from the capital contributed by the subscribers of such Shares.

Guaranteed Investment Products 1 PCC Limited (the “Company”) DIRECTORS’ REPORT - continued

The Company and its Directors, in consultation with the Investment Advisor, are responsible for the formulation of the investment policy of each protected cell and any subsequent change to that policy.

It is the intention of the Directors that the investment objectives for each protected cell will be achieved by investing the net issue proceeds of the Shares issued in respect of a cell into an investment plan as set out in the relevant securities note. The investment plan of each cell consists of financial instruments provided, guaranteed and/or issued by Santander or any other person approved by the Company.

The returns on the investment plans are designed to enable the Company to meet its stated investment objective for each protected cell. The investment plans have been structured by the "Investment Advisor" to provide a cell, as at the relevant maturity date, with an amount equal to the aggregate investment return of the Shares issued in respect of that cell. The Company will invest an amount equal to the net issue proceeds of each protected cell in the relevant investment plan on admission to The International Stock Exchange ("TISE") of the relevant Shares.

On the maturity date of a particular cell, Shareholders of that cell will receive an amount equal to the investment return so long as the issuer of the investment plan satisfies its obligation to repay the investment return at the maturity date. If the issuer fails to meet its obligation and thus the Company is unable to meet its obligation to Shareholders, Anson Registrars Limited, as the Guarantee Claims Agent has the contractual obligation to require Santander Guarantee Company (the “Guarantor”) to serve notice on Santander to take all reasonable actions to ensure payment is made to the Shareholders of the protected cell. Any shortfall between the amount the Shareholders receive at the maturity date and the guaranteed return as set out in the relevant securities note is to be met by the Guarantor. From 1 January 2019, banks such as Santander must separate core retail banking from investment banking. Subject to a transition period, this will mean that in due course Santander's retail bank will be unable to act as ultimate guarantor for the Company's assets.

RESULTS & DISTRIBUTIONS

The results of the Company for the Period are set out in an aggregated format on pages 13 - 16. Further information and commentary on the relevant investment performance of all cells is available from the following website <https://clear.santander.co.uk>

The directors did not declare a dividend for any cell during the Period.

DIRECTORS

The Company has three directors who are responsible for the implementation of the Company's investment policy and on-going management.

The current Directors of the Company are:

Gavin Farrell – Mr Farrell qualified as a Solicitor of the Supreme Court of England and Wales, a French Avocat and an Advocate of the Royal Court of Guernsey. He is a partner of Ferbrache & Farrell, Advocates & Notaries Public, in Guernsey and specialises in international and structured finance and collective investment schemes. He holds a number of directorships in investment and captive insurance companies. He is resident in Guernsey.

John Le Prevost - Mr Le Prevost is the Chief Executive Officer of Anson Group Limited and Chairman of Anson Registrars Limited (the Company's Registrar). He has spent over forty years working in offshore fund, trust and investment businesses during which time he has been a managing director of subsidiaries in Guernsey for County NatWest Investment Management, The Royal Bank of Canada and for Republic National Bank of New York. He is a Full Member of the Society of Trust and Estate Practitioners and in 1991-2 read for a law degree via distance learning and in 2009-11 read for an MBA from Southampton University via the Guernsey Training Agency. He is a non-executive director of a number of London listed investment companies and is a trustee of the Guernsey Sailing Trust. He is resident in Guernsey.

Paul Meader – Mr Meader is an independent director of a number of investment management companies, insurers and investment funds. Until 2013, he was Head of Portfolio Management for Canaccord Genuity based in Guernsey, having previously held the role of Chief Executive of Corazon Capital Group which was acquired by Collins Stewart in 2010. Prior to joining Corazon he was Managing Director of Rothschild's Swiss private-banking subsidiary in Guernsey. Mr Meader has 30 years' experience in financial markets with particular expertise in fixed income investments. He is a Chartered Fellow of the Chartered Institute of Securities & Investment and is past Chairman of the Guernsey International Business Association. He is resident in Guernsey.

Guaranteed Investment Products 1 PCC Limited (the “Company”) DIRECTORS’ REPORT - continued

ADMINISTRATOR & SECRETARY

JTC Fund Solutions (Guernsey) Limited (the “Secretary”) is a subsidiary of JTC plc. a company admitted to trading on the Main Market of the London Stock Exchange, and provides administration and secretarial services to the Company pursuant to the Administration and Secretarial Agreement dated 28 January 2005.

In such capacity, the Secretary is responsible for the general secretarial duties required by Section 171 of the Law and for ensuring that the Company complies with its continuing obligations as a company listed on TISE. The Secretary is also responsible for the Company’s general administrative functions including the calculation of the net asset value of protected cell Shares and the maintenance of the Company’s accounting records.

SUBSTANTIAL INTERESTS

The Company has been advised that for all protected cells Abbey National Nominees Limited held 100% of the Company’s issued Shares in each cell. As at **8 June 2018**, the Investment Advisor held approximately **[5]** per cent. of the net assets of the Company beneficially. The remainder of the Company’s assets were held non-beneficially. There have been no changes in those holdings as at the date of this report.

STATEMENT OF DIRECTORS’ RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable Guernsey Law and generally accepted accounting principles.

Guernsey company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the profit or loss for that period.

In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the accounts comply with the Law. They are also responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CORPORATE GOVERNANCE

As the Company is an authorised collective investment scheme under the Authorised Closed-Ended Investment Schemes Rules 2008 it must report under the Finance Sector Code of Corporate Governance (the “Code”). At the Board meeting held 22 February 2012, the Board resolved to adopt the Board Governance Review document provided by the Secretary and evaluates its contents on an on-going basis. This document sets out the underlying principles of the Code, areas of compliance and provides explanations where the Company deviates from the provisions of the Code. This enables the Directors of the Company to document their governance practices and as such, the Board believes that the Board Governance Review document is suitable for an investment company of its kind.

The Board meets at least four times a year to consider the affairs of the Company in a prescribed and structured manner. The Board also has regular contact with the Secretary throughout the year. The Directors are kept fully informed of investment and financial controls and any other matters that are relevant to the business of the Company are brought to the attention of the Directors. The Directors also have access, where necessary in the furtherance of their duties, to professional advice at the expense of the Company.

The Board has a breadth of experience relevant to the Company, and the Directors believe that any changes to the Board’s composition can be managed without undue disruption. When new directors are appointed to the Board, the necessary and appropriate induction is provided by the Board with input from the Administrator and Investment Advisor.

Guaranteed Investment Products 1 PCC Limited (the “Company”) DIRECTORS’ REPORT - continued

The Company has complied with the main principles of the Code, except those set out below:

- Principle 1.5 (Delegation to Management) is not applicable to the Company as there is no internal executive management of the Company. It was noted that matters were delegated to various service providers and powers and duties in respect thereof were specified within the relevant contractual arrangements.
- Principle 4.2 (Group Policies) is not applicable as while the Company's accounts are consolidated into Santander UK plc's accounts, the Board of the Company has the authority to determine its own policies and procedures.
- Principle 8 (Shareholder Relations) is not applicable to the Company due to its distinct structure whereby Abbey National Nominees Limited is the sole Shareholder of the Company's cells.

For the reasons set out in the preamble to the Code, the Board considers that these provisions are not relevant to the Company, and so the Company has therefore not reported further.

As per the Company's Articles of Incorporation the Directors are not subject to re-election by the Shareholders nor are they appointed for specific terms as required by these provisions as this is not felt to be appropriate for the structure and nature of the Company. However, the Board has determined that in order to facilitate good corporate governance practice each of the Directors will offer themselves for re-election every three years.

The Directors place a high degree of importance on ensuring that high standards of corporate governance are maintained within the Company.

AUDIT COMMITTEE

An Audit Committee has been established consisting of Mr Farrell, Mr Le Prevost (Chairman) and Mr Meader. The Audit Committee examines the effectiveness of the Company's internal control systems, the annual and interim reports and financial statements, the auditors' remuneration and engagement, as well as the Auditors' independence and any non-audit services provided by them. The Audit Committee receives information from the Secretary's compliance department and the external auditors.

INTERNAL CONTROLS

The Board is responsible for the Company's system of internal control and for reviewing its effectiveness. The Board confirms that there is an on-going process for identifying, evaluating and managing the significant risks faced by the Company. This process has been in place for the period under review and up to the date of approval of this Annual Financial Report. The process is reviewed by the Board on a regular basis.

The Board has reviewed the effectiveness of the system of internal control. In particular, it has reviewed and updated the process for identifying and evaluating the significant risks affecting the Company and the policies by which these risks are managed.

The internal control systems are designed to meet the Company's particular needs and the risks to which it is exposed. Accordingly, the internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and by their nature can only provide reasonable and not absolute assurance against misstatement and loss.

**Guaranteed Investment Products 1 PCC Limited (the “Company”)
DIRECTORS’ REPORT - continued**

AUDITORS

Further to a tender process conducted in December 2015, the Board of Directors of the Company identified Ernst & Young LLP as the most appropriate auditor to the Company. Ernst & Young LLP have expressed their willingness to continue in office as Auditors and a resolution for their re-appointment will be put to the management shareholders at the forthcoming General Meeting of the Company to be held pursuant to Section 199 of the Law.

So far as each of the Company’s Directors is aware there is no relevant information of which the Company’s auditor is unaware and each has taken all of the steps he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company’s auditor is aware of that information.

GOING CONCERN

The Company’s financial position, cash flows and liquidity position are set out in the financial statements and the Company’s financial risk management objectives and policies are set out at the notes to the financial statements on pages 10 - 31.

As disclosed in the notes to the financial statements, the only financial commitments of the Company are its on-going operating expenses and obligations to the Shareholders on the redemption of their cell Shares. Save for its own fee and the Marketing Agent’s fee, the Investment Advisor has agreed to meet all other costs and expenses relating to the operation of the Company, any cells currently established or created in the future, the cost of listing any Shares on the TISE, the costs associated with the termination of each cell and the liquidation of the Company, including the initial launch costs and on-going costs.

The Company has access in the event of an insolvency event on the part of the Investment Advisor or in the event that the Investment Advisor has refused to meet a cost or expense incurred, to a £125,000 reserve to meet the costs associated with the operation of the Company.

Upon the redemption of the Shares of a cell, the holders of such Shares shall only be entitled to the Investment Plan Return of such Shares. This is calculated by reference to the proceeds received under the relevant contract entered into between the Company acting on behalf of the relevant cell and the issuer of the investment plan on the maturity or termination of the contract.

The Company has seen a number of its cells, each of which had a fixed life, redeem during the year. The Directors do not consider that these redemptions have had a material impact on the going concern basis of the Company.

Given the nature of the Company and its investments, the Directors are satisfied that it is appropriate to continue to adopt the going concern basis in preparing the financial statements, and, after due consideration, the Directors consider that the Company is able to continue in the foreseeable future.

On behalf of the Board

John R Le Prevost
Director

**Guaranteed Investment Products 1 PCC Limited (the “Company”)
SHAREHOLDER INFORMATION**

The Company announces the net asset value per protected cell Share on TISE on a monthly basis.

The Company's register of shareholders is maintained by Anson Registrars Limited in Guernsey and they can be contacted on +44 (0) 1481 711301.

The Directors are always available to enter into dialogue with investors and are willing to meet the major investors in the Company, as the Company believes such communication to be important. The Company's Directors can be contacted at the Company's registered office.

Guaranteed Investment Products 1 PCC Limited (the “Company”)

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF GUARANTEED INVESTMENT PRODUCTS 1 PCC LIMITED

Opinion

We have audited the financial statements of Guaranteed Investment Products 1 PCC Limited (the ‘Company’) for the year ended 31 March 2018 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Net Assets Attributable to Holders of Protected Cell Guaranteed Shares, the Statement of Cash Flows and the related notes 1 to 12, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the Company’s affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards; and
- have been properly prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters, in relation to which the ISAs (UK) require us to report to you where:

- the directors’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Overview of our audit approach

Key audit matters	► Valuation of derivative financial instruments
Materiality	► Overall materiality of £15m which represents 2% of the Company’s net asset value (“NAV”) as at 31 March 2018

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Guaranteed Investment Products 1 PCC Limited (the “Company”)

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF GUARANTEED INVESTMENT PRODUCTS 1 PCC LIMITED - continued

Risk	Our response to the risk	Key observations communicated to the Audit Committee
<p>Valuation of derivative financial instruments (2018: £749.3m; 2017: £827.7m)</p> <p>The fair value of the Company’s investments in derivative financial instruments are not directly market-observable and are therefore based on valuation models that utilise inputs that are observable in active markets. Such valuation can require significant judgement and estimation as explained in note 2 to the financial statements.</p> <p>The fair value of the derivatives may be misstated due to application of inappropriate methodologies or inputs to the valuations and/or inappropriate judgmental factors or management override.</p> <p>As the Company’s derivative investments comprise 100% (2017: 100%) of the Company’s net asset value, any misstatement in their valuation could have a significant impact on the Company’s reported financial position and performance for the year.</p>	<p>We confirmed our understanding of the processes, policies and methodologies used to value the Company’s derivatives, and the processes used by the Board to review these valuations. We assessed whether such valuations had been performed in accordance with IFRS and the Company’s accounting policies.</p> <p>We have performed procedures to review the investment performance in relation to the benchmarks to which the returns on the derivatives are contractually linked.</p> <p>We engaged our own internal valuation specialists to independently value a sample of the derivative valuations using market data from independent sources.</p>	<p>We confirmed that there were no material instances of use of inappropriate policies or methodologies and that the valuation of the underlying investments was not materially misstated.</p> <p>We also confirmed that there were no material matters arising from our audit work on the valuation of derivative financial instruments that we wanted to bring to the attention of the Audit Committee</p>

An overview of the scope of our audit

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope. Taken together, this enables us to form an opinion on the financial statements.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

Materiality is the magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Company to be £15m (2017: £16.5m), which is 2% (2017: 2%) of the Company’s net asset value. We believe this provided an appropriate basis for determining planning materiality because the Company’s primary performance measures for internal and external reporting are based on net asset value.

Since our initial assessment of materiality, which was conducted at the planning stage of our audit, the net asset value of the Company has decreased. We have adjusted our materiality levels accordingly.

Guaranteed Investment Products 1 PCC Limited (the “Company”)
INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF GUARANTEED INVESTMENT PRODUCTS 1
PCC LIMITED - continued

Performance materiality

Performance materiality is the application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Company’s overall control environment, our judgement was that performance materiality was 75% (2017: 75%) of our planning materiality, namely £11.25m (2017: £12.4m). We have set performance materiality at this level because we consider the likelihood of misstatements to be low. We have considered both quantitative and qualitative factors when determining the expected level of detected misstatements and setting the performance materiality at this level.

Reporting threshold

Reporting threshold is an amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £750,000 (2017: £825,000), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The Directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- proper accounting records have not been kept by the Company; or
- the financial statements are not in agreement with the Company’s accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Guaranteed Investment Products 1 PCC Limited (the “Company”)

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF GUARANTEED INVESTMENT PRODUCTS 1 PCC LIMITED - continued

Responsibilities of directors

As explained more fully in the Statement of Directors’ Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council’s website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor’s report.

Use of our report

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

Ernst & Young LLP

21 June 2018

Guernsey
Channel Islands

Notes:

1. The maintenance and integrity of the Guaranteed Investment Products 1 PCC Limited website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.
2. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Guaranteed Investment Products 1 PCC Limited
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2018

	Notes	Year ended 31 March 2018 Total GBP	Year ended 31 March 2017 Total GBP
Net movement in unrealised (loss) / gain on investments	4	(2,152,089)	13,015,823
Realised gains on investments	4	<u>12,510,803</u>	<u>44,067,158</u>
Net gain on investments		10,358,714	57,082,981
Investment advisor's fees	1b	<u>-</u>	<u>(306,621)</u>
Profit for the year attributable to holders of shares		<u><u>10,358,714</u></u>	<u><u>56,776,360</u></u>

The notes on pages 17 to 33 form an integral part of these financial statements

Guaranteed Investment Products 1 PCC Limited
STATEMENT OF FINANCIAL POSITION
as at 31 March 2018

	Notes	As at 31 March 2018 Total GBP	As at 31 March 2017 Total GBP
NON CURRENT ASSETS			
Investments	4	584,554,300	739,709,328
CURRENT ASSETS			
Investments	4	164,795,516	87,983,092
Receivables	5	-	306
Cash and cash equivalents		125,002	125,458
		<u>164,920,518</u>	<u>88,108,856</u>
CURRENT LIABILITIES			
Payables - amounts falling due within one year	6	-	(18,836)
Emergency fund from Santander		<u>(125,000)</u>	<u>(125,000)</u>
		(125,000)	(143,836)
		<u>749,349,818</u>	<u>827,674,348</u>
NET ASSETS ATTRIBUTABLE TO HOLDERS OF PROTECTED CELL GUARANTEED SHARES			
Non Current	3	584,554,300	739,691,256
Current	3	164,795,516	87,983,090
		<u>749,349,816</u>	<u>827,674,346</u>
EQUITY			
Management Shares	3	<u>2</u>	<u>2</u>
		<u>749,349,818</u>	<u>827,674,348</u>

The financial statements on pages 13 to 33 were approved and authorised for issue by the Board of directors on xxx 2018 and were signed on its behalf by:

John R Le Prevost
Director

The notes on pages 17 to 33 form an integral part of these financial statements

Guaranteed Investment Products 1 PCC Limited
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF PROTECTED CELL
GUARANTEED SHARES
For the year ended 31 March 2018

	Notes	Year ended 31 March 2018 Total GBP	Year ended 31 March 2017 Total GBP
Opening balance		827,674,346	964,744,093
Capital on issue of Shares	7	-	71
Reduction in capital on redemption of Shares	7	(78)	(224)
Premium on issue of Shares	8	-	68,696,658
Reduction in premium on redemption of Shares	8	(78,214,264)	(226,329,291)
Reduction in other reserves on redemption of Shares	8	(10,468,902)	(36,213,321)
Profit for the year attributable to holders of Shares		10,358,714	56,776,360
Balance at year end		<u>749,349,816</u>	<u>827,674,346</u>

The notes on pages 17 to 33 form an integral part of these financial statements

Guaranteed Investment Products 1 PCC Limited
STATEMENT OF CASH FLOWS
For the year ended 31 March 2018

	Year ended 31 March 2018	Year ended 31 March 2017
	Total GBP	Total GBP
Operating activities		
Profit for the year attributable to holders of shares	10,358,714	56,776,360
Realised gains on investments	(12,510,803)	(44,067,158)
Movement in unrealised gains on investments	2,152,089	(13,015,823)
Movement in receivables and payables during the period	(18,530)	308
Net cash flow used in operating activities	<u>(18,530)</u>	<u>(306,313)</u>
Investing activities		
Proceeds of maturity of financial assets	88,701,318	262,542,529
Purchase of financial assets	-	(72,034,161)
Net cash flow from investing activities	<u>88,701,318</u>	<u>190,508,368</u>
Financing activities		
Redemption of Shares	(88,683,244)	(262,542,836)
Proceeds of issue of Shares	-	68,696,729
Net cash flow used in financing activities	<u>(88,683,244)</u>	<u>(193,846,107)</u>
Decrease in cash and cash equivalents	<u>(456)</u>	<u>(3,644,052)</u>
Cash and cash equivalents at beginning of year	125,458	3,769,510
Decrease in cash and cash equivalents	(456)	(3,644,052)
Cash and cash equivalents at end of year	<u>125,002</u>	<u>125,458</u>

The notes on pages 17 to 33 form an integral part of these financial statements

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in conformity with International Financial Reporting Standards ("IFRS") and applicable Guernsey law. The financial statements have been prepared on a historical cost basis except for the measurement at fair value of financial instruments.

The financial statements are expressed in pounds Sterling, which is the functional and presentation currency of the Company.

The following Standards or Interpretations, which are applicable to the Company, have been issued by the IASB but not yet adopted by the Company. They will be adopted by the Company from the effective dates set out below:

IAS 7 Statement of Cash Flows now requires a reconciliation of changes in financing liabilities split between cash and non-cash elements. Given the only significant liabilities of the Company are its shares, this information is already presented in the Statement of Net Assets Attributable to Holders of Protected Cell Guaranteed Shares.

IFRS 7 Financial Instruments: Disclosures - Deferral of mandatory effective date of IFRS 9 and amendments relating to additional hedge accounting disclosure (and consequential amendments). Applied only when IFRS 9 is adopted, which is effective for annual periods beginning on or after 1 January 2018.

IFRS 9 Financial Instruments - Classification and measurement, impairment, general hedge accounting and derecognition, effective for annual periods beginning on or after 1 January 2018.

The standard is not expected to have a material impact on the financial statements as the financial assets and liabilities are held at fair value through profit or loss. There is no expected change in accounting policy, and hedge accounting is not applied. Additional impairment considerations are inappropriate as the financial assets and liabilities are held at fair value.

It is expected that the financial asset will fail the contractual cash flow characteristics test (i.e. contractual cash flows are not solely payments of principal and interest) due to the return on the instrument being linked to the movement in the FTSE 100 Price Index and so without even invoking the fair value option (which the Company would do to ensure the instrument continues to be accounted for at fair value through profit or loss) the instrument would nevertheless be recorded at fair value through profit or loss.

(b) Investment Advisor's Fees

Investment Advisor's fees are paid at the inception of the cell to which they relate, and are charged to the Statement of Comprehensive Income on the date paid.

(c) Taxation

The Company has been granted exemption from Guernsey Income Tax under the Income Tax (Exempt Bodies) (Guernsey) (Amendment) Ordinance, 2012. The annual tax exempt fee is £1,200.

(d) Investments

All investments are designated as at "fair value through profit or loss", because the financial instrument contains one or more embedded derivatives, which significantly modify the cash flows that would otherwise be required by the contract. Investments are initially recognised at cost, being the fair value of the consideration given, excluding transaction costs associated with the investment. After initial recognition, investments are measured at fair value, with unrealised gains and losses on investments recognised in the Statement of Comprehensive Income. As detailed in note 2, the fair value of the investments is calculated based on valuations provided by the Issuer at the close of business on the reporting date. Investments are derecognised when the rights to cash flows from the investments have expired or substantially all risks and rewards of ownership have been transferred. Upon derecognition any previously recognised unrealised gain or loss is reversed in the current period's "unrealised gain on investments at fair value through profit or loss" and recognised in the "realised gain on financial instruments at fair value through profit or loss" along with any additional gain or loss recognised in the period. The "net gain on investments" shows the total gain or loss recognised in the current year.

(e) Cash and Cash Equivalents

At the reporting date cash and cash equivalents comprised cash at bank.

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018 (continued)

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Shares

As the Company's Shares mature on fixed dates and have non-identical features, they are classified in the financial statements as debt in accordance with IAS 32 Financial Instruments: Presentation. Whilst classified as liabilities, each Cell issues share capital and share premium in accordance with Guernsey Company Law. The carrying value is subsequently re-measured at fair value. At the maturity date of a Cell, the liability due to Cell holders is de-recognised from the Statement of Financial Position, through a reduction in the net assets attributable to holders of shares, which represents a combination of initial proceeds and any further amounts included in the reserves since the date of issue. Management shares are classified as equity in the financial statements in accordance with IAS 32.

(g) Net Asset Value

The Net Asset Value per Share calculated in accordance with IFRS is based on net assets of the relevant protected cell as at 31 March 2018, as detailed in Note 3 to the Financial Statements on page 19.

(h) Share premium

The Company records proceeds from issues of shares in excess of their nominal value in share premium account. When Shares are redeemed, the redemption amount net of nominal value is debited to share premium account. The Cells are offered over a period of time before launch and proceeds collected from investors throughout that period. Where proceeds have been collected in respect of new cells and those cells have been launched after year-end, those proceeds are recorded as share premium (see note 8). Share capital for the cells is only recorded when the shares are issued.

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these financial statements, the Board has made critical accounting estimates and judgements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial period relate to the fair valuation of the derivative financial instruments as outlined below:

(a) Accounting estimates

Fair value of derivative financial instruments

The Company holds investments which are tailored to meet the Company's needs. As the investments are not traded in an active market, the fair value of such instruments is determined by using valuation techniques, the inputs are described in note 4 on page 20. The fair value is calculated monthly by the "Investment Advisor" (or any other party to a Plan Investment, save for the Company)). As at the reporting date, an independent check of the valuations of the investments is performed by Future Value Consultants (the "Valuation Agent"), an independent third party.

(b) Going concern

The Company has entered into an arrangement with the Investment Advisor whereby, save for its own fee and any fee payable to the Marketing Agent, the Investment Advisor shall meet all costs and expenses relating to the establishment, launch and operation of the Company, the Cells and the cost of listing any Shares of the Cells on the TISE.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence in the foreseeable future and is well placed to manage its business risks successfully. It is the board of directors' judgement that it is appropriate to adopt the going concern basis in preparing these financial statements as the board recognise that the counterparty to each investment held for each protected cell, the shareholders' guarantor for each protected cell and the "Investment Advisor" are all ultimately owned by Santander (UK) Plc., which, at the date of this report has a credit rating of A1 as rated by Moody's.

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018 (continued)

3 NET ASSET VALUE PER SHARE

	As at 31 March 2018			As at 31 March 2017		
	Net assets attributable to holders of Shares	Shares in issue	NAV per Share	Net assets attributable to holders of Shares	Shares in issue	NAV per Share
	GBP	Note 7	Pence	GBP	Note 7	Pence
Cell 199	-	-	-	8,624,477	7,771,199	110.98
Cell 207	-	-	-	4,823,190	3,938,584	122.46
Cell 209	-	-	-	8,527,291	7,142,981	119.38
Cell 211	-	-	-	3,247,653	2,804,294	115.81
Cell 213	-	-	-	4,355,069	3,741,147	116.41
Cell 215	-	-	-	4,519,545	3,908,289	115.64
Cell 218	-	-	-	18,421,648	16,081,753	114.55
Cell 220	-	-	-	1,077,194	880,420	122.35
Cell 222	-	-	-	3,003,043	2,430,040	123.58
Cell 224	7,243,553	5,596,068	129.44	6,991,168	5,596,068	124.93
Cell 226	10,301,334	6,873,972	149.86	10,063,495	6,873,972	146.40
Cell 228	7,145,498	4,770,981	149.77	6,968,018	4,770,981	146.05
Cell 230	10,306,598	6,897,275	149.43	9,868,621	6,897,275	143.08
Cell 232	23,390,743	16,877,656	138.59	22,481,038	16,877,656	133.20
Cell 234	3,894,039	3,507,511	111.02	3,933,323	3,507,511	112.14
Cell 236	32,691,342	28,336,086	115.37	33,453,583	28,336,086	118.06
Cell 238	663,635	589,374	112.60	678,016	589,374	115.04
Cell 240	20,519,423	18,773,489	109.30	20,551,338	18,773,489	109.46
Cell 241	-	-	-	5,801,377	5,442,192	106.60
Cell 242	9,015,194	8,274,616	108.95	9,009,402	8,274,616	108.88
Cell 243	-	-	-	12,745,260	11,966,257	106.51
Cell 244	11,919,508	11,138,686	107.01	11,923,963	11,138,686	107.05
Cell 245	-	-	-	12,837,344	12,122,138	105.90
Cell 246	14,803,572	13,823,487	107.09	14,887,895	13,823,487	107.70
Cell 247	16,487,367	15,180,340	108.61	16,783,384	15,180,340	110.56
Cell 248	7,759,566	6,697,942	115.85	7,839,941	6,697,942	117.05
Cell 249	7,575,272	6,629,855	114.26	7,674,057	6,629,855	115.75
Cell 250	11,171,902	10,163,666	109.92	11,387,371	10,163,666	112.04
Cell 251	20,746,316	18,780,045	110.47	21,080,601	18,780,045	112.25
Cell 252	69,322,158	59,739,881	116.04	68,199,048	59,739,881	114.16
Cell 253	59,235,626	50,186,924	118.03	57,534,290	50,186,924	114.64
Cell 254	36,792,636	31,503,242	116.79	35,932,598	31,503,242	114.06
Cell 255	33,433,430	29,579,253	113.03	32,658,453	29,579,253	110.41
Cell 256	36,888,785	33,703,778	109.45	36,389,969	33,703,778	107.97
Cell 257	20,921,772	19,406,152	107.81	20,667,552	19,406,152	106.50
Cell 258	6,857,417	6,350,636	107.98	6,711,398	6,350,636	105.68
Cell 259	26,522,762	24,111,602	110.00	26,038,165	24,111,602	107.99
Cell 260	33,754,962	31,067,613	108.65	33,062,541	31,067,613	106.42
Cell 261	19,651,516	17,882,897	109.89	19,188,369	17,882,897	107.30
Cell 262	38,202,403	34,045,453	112.21	36,971,912	34,045,453	108.60
Cell 263	45,601,404	40,876,124	111.56	45,105,205	40,876,124	110.35
Cell 264	31,618,079	29,058,064	108.81	31,525,934	29,058,064	108.49
Cell 265	28,471,848	26,123,358	108.99	27,878,436	26,123,358	106.72
Cell 266	3,475,354	3,362,703	103.35	3,444,080	3,362,703	102.42
Cell 267	8,496,685	8,312,155	102.22	8,607,237	8,312,155	103.55
Cell 268	4,026,958	3,969,402	101.45	4,078,561	3,969,402	102.75
Cell 269	18,305,254	18,336,426	99.83	18,103,553	18,336,426	98.73
Cell 270	12,135,907	12,252,302	99.05	12,018,740	12,252,302	98.09
	<u>749,349,816</u>	<u>662,779,014</u>		<u>827,674,346</u>	<u>741,008,308</u>	
Management Fund	2	2		2	2	
TOTAL	<u><u>749,349,818</u></u>	<u><u>662,779,016</u></u>		<u><u>827,674,348</u></u>	<u><u>741,008,310</u></u>	
Non Current	584,554,300			739,691,256		
Current	<u>164,795,516</u>			<u>87,983,090</u>		
	<u>749,349,816</u>			<u>827,674,346</u>		

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018 (continued)

4 INVESTMENTS	As at 31 March 2018	As at 31 March 2017
	Total GBP	Total GBP
Opening portfolio cost	730,021,320	876,462,530
Opening unrealised gain on valuation	97,671,100	84,655,277
Opening valuation	<u>827,692,420</u>	<u>961,117,807</u>
Purchases at cost	-	72,034,161
Proceeds of maturity of financial assets	(88,701,318)	(262,542,529)
Realised gain for the period	12,510,803	44,067,158
Movement in unrealised loss for the period	(2,152,089)	13,015,823
Total	<u>749,349,816</u>	<u>827,692,420</u>
Closing portfolio cost	653,830,805	730,021,320
Closing unrealised gain on valuation	95,519,011	97,671,100
Closing valuation	<u>749,349,816</u>	<u>827,692,420</u>
Minimum return	664,375,619	739,441,328
Value of derivative	84,974,197	88,251,092
	<u>749,349,816</u>	<u>827,692,420</u>
Non Current Investments	584,554,300	739,709,328
Current Investments	164,795,516	87,983,092
	<u>749,349,816</u>	<u>827,692,420</u>

IFRS 13 requires fair value to be disclosed by the source of inputs, using a three-level hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2);
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The Investments entered into by the Company are valued using a combination of cash flow modelling, Black Scholes and other relevant option models, as well as other conventional finance techniques, and take into account the following criteria:

- minimum and maximum return thresholds contracted by each cell at its inception date
- direct market data on the performance of the Index to which the relevant cell is linked
- indirect market data on the volatility related to the Index to which the relevant cell is linked
- time remaining until the maturity date of the cell
- any accrued interest receivable as at the valuation date
- direct market data on the interest yield curves
- discount rate derived from market data on the Counterparty's cost of capital

Carrying value of the investments is an approximation of the fair value.

The level in the fair value hierarchy within which the fair value measurement is categorised is determined on the basis of the lowest level input that is significant to the fair value in its entirety. If a fair value measurement uses significant unobservable inputs, or observable inputs that require significant adjustments based on unobservable inputs, then that measurement is deemed a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. At year end, all investments held by the Company and net assets attributable to holders of shares, have been classified as Level 2 in accordance with the fair value hierarchy. There have been no transfers between levels of the fair value hierarchy during the year.

Other financial assets and liabilities

For all other financial assets and liabilities, the carrying value is an approximation of fair value, including: receivables; cash and cash equivalents and other payables.

The Carrying value for net assets attributable to holders of protected cell is calculated with reference to the Net Asset Value of the Company. Net Asset value is calculated after the revaluation of the investments (Note 1d).

5 RECEIVABLES	31 March 2018 GBP	31 March 2017 GBP
Sundry receivables	-	306

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018 (continued)

6 PAYABLES - amount falling due within one year	31 March 2018	31 March 2017
	GBP	GBP
Sundry payables	-	18,836

7 SHARE CAPITAL

The Company may issue an unlimited number of shares. Such shares may be issued as Cell Shares or Nominal Shares (or share of any other denomination as the directors may determine).

	Number of Shares issued as at 31 March 2017	Number of Shares Issued / (Redeemed)	Number of Shares issued as at 31 March 2018
Allotted, called-up and fully paid			
Cell 199	7,771,199	(7,771,199)	-
Cell 207	3,938,584	(3,938,584)	-
Cell 209	7,142,981	(7,142,981)	-
Cell 211	2,804,294	(2,804,294)	-
Cell 213	3,741,147	(3,741,147)	-
Cell 215	3,908,289	(3,908,289)	-
Cell 218	16,081,753	(16,081,753)	-
Cell 220	880,420	(880,420)	-
Cell 222	2,430,040	(2,430,040)	-
Cell 224	5,596,068	-	5,596,068
Cell 226	6,873,972	-	6,873,972
Cell 228	4,770,981	-	4,770,981
Cell 230	6,897,275	-	6,897,275
Cell 232	16,877,656	-	16,877,656
Cell 234	3,507,511	-	3,507,511
Cell 236	28,336,086	-	28,336,086
Cell 238	589,374	-	589,374
Cell 240	18,773,489	-	18,773,489
Cell 241	5,442,192	(5,442,192)	-
Cell 242	8,274,616	-	8,274,616
Cell 243	11,966,257	(11,966,257)	-
Cell 244	11,138,686	-	11,138,686
Cell 245	12,122,138	(12,122,138)	-
Cell 246	13,823,487	-	13,823,487
Cell 247	15,180,340	-	15,180,340
Cell 248	6,697,942	-	6,697,942
Cell 249	6,629,855	-	6,629,855
Cell 250	10,163,666	-	10,163,666
Cell 251	18,780,045	-	18,780,045
Cell 252	59,739,881	-	59,739,881
Cell 253	50,186,924	-	50,186,924
Cell 254	31,503,242	-	31,503,242
Cell 255	29,579,253	-	29,579,253
Cell 256	33,703,778	-	33,703,778
Cell 257	19,406,152	-	19,406,152
Cell 258	6,350,636	-	6,350,636
Cell 259	24,111,602	-	24,111,602
Cell 260	31,067,613	-	31,067,613
Cell 261	17,882,897	-	17,882,897
Cell 262	34,045,453	-	34,045,453
Cell 263	40,876,124	-	40,876,124
Cell 264	29,058,064	-	29,058,064
Cell 265	26,123,358	-	26,123,358
Cell 266	3,362,703	-	3,362,703
Cell 267	8,312,155	-	8,312,155
Cell 268	3,969,402	-	3,969,402
Cell 269	18,336,426	-	18,336,426
Cell 270	12,252,302	-	12,252,302
Management Shares	2	-	2
TOTAL	741,008,310	(78,229,294)	662,779,016

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018 (continued)

7 SHARE CAPITAL (continued)

	Fund GBP	Management Shares GBP	TOTAL GBP
2018 Authorised			
10,000,000,000 Unclassified Shares of 0.0001p each	100,000	-	100,000
100 Management Shares of £1 each	-	100	100
	<u>100,000</u>	<u>100</u>	<u>100,100</u>

	Number of Shares issued as at 31 March 2016	Number of Shares Issued / (Redeemed)	Number of Shares issued as at 31 March 2017
Allotted, called-up and fully paid			
Cell 8	255,276	(255,276)	-
Cell 176	18,029,657	(18,029,657)	-
Cell 177	8,303,591	(8,303,591)	-
Cell 178	3,675,901	(3,675,901)	-
Cell 179	10,983,989	(10,983,989)	-
Cell 181	10,369,668	(10,369,668)	-
Cell 182	12,134,755	(12,134,755)	-
Cell 183	1,456,879	(1,456,879)	-
Cell 184	9,306,321	(9,306,321)	-
Cell 186	4,175,468	(4,175,468)	-
Cell 187	3,813,048	(3,813,048)	-
Cell 188	3,520,122	(3,520,122)	-
Cell 190	24,635,894	(24,635,894)	-
Cell 191	5,144,950	(5,144,950)	-
Cell 193	3,302,177	(3,302,177)	-
Cell 194	1,323,734	(1,323,734)	-
Cell 196	5,863,210	(5,863,210)	-
Cell 197	1,383,156	(1,383,156)	-
Cell 199	7,771,199	-	7,771,199
Cell 201	11,524,039	(11,524,039)	-
Cell 203	3,463,206	(3,463,206)	-
Cell 205	10,179,310	(10,179,310)	-
Cell 207	3,938,584	-	3,938,584
Cell 209	7,142,981	-	7,142,981
Cell 211	2,804,294	-	2,804,294
Cell 213	3,741,147	-	3,741,147
Cell 215	3,908,289	-	3,908,289
Cell 218	16,081,753	-	16,081,753
Cell 220	880,420	-	880,420
Cell 222	2,430,040	-	2,430,040
Cell 224	5,596,068	-	5,596,068
Cell 225	936,522	(936,522)	-
Cell 226	6,873,972	-	6,873,972
Cell 228	4,770,981	-	4,770,981
Cell 230	6,897,275	-	6,897,275
Cell 231	26,378,202	(26,378,202)	-
Cell 232	16,877,656	-	16,877,656
Cell 233	37,245,560	(37,245,560)	-
Cell 234	3,507,511	-	3,507,511
Cell 235	7,098,172	(7,098,172)	-
Cell 236	28,336,086	-	28,336,086
Cell 237	1,822,524	(1,822,524)	-
Cell 238	589,374	-	589,374
Cell 239	41,247	(41,247)	-
Cell 240	18,773,489	-	18,773,489
Cell 241	5,442,192	-	5,442,192
Cell 242	8,274,616	-	8,274,616
Cell 243	11,966,257	-	11,966,257
Cell 244	11,138,686	-	11,138,686
Cell 245	12,122,138	-	12,122,138
Cell 246	13,823,487	-	13,823,487
Cell 247	15,180,340	-	15,180,340

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018 (continued)

7 SHARE CAPITAL (continued)

	Number of Shares issued as at 31 March 2016	Number of Shares Issued / (Redeemed)	Number of Shares issued as at 31 March 2017
Allotted, called-up and fully paid			
Cell 248	6,697,942	-	6,697,942
Cell 249	6,629,855	-	6,629,855
Cell 250	10,163,666	-	10,163,666
Cell 251	18,780,045	-	18,780,045
Cell 252	59,739,881	-	59,739,881
Cell 253	50,186,924	-	50,186,924
Cell 254	31,503,242	-	31,503,242
Cell 255	29,579,253	-	29,579,253
Cell 256	33,703,778	-	33,703,778
Cell 257	19,406,152	-	19,406,152
Cell 258	6,350,636	-	6,350,636
Cell 259	24,111,602	-	24,111,602
Cell 260	31,067,613	-	31,067,613
Cell 261	17,882,897	-	17,882,897
Cell 262	34,045,453	-	34,045,453
Cell 263	40,876,124	-	40,876,124
Cell 264	29,058,064	-	29,058,064
Cell 265	-	26,123,358	26,123,358
Cell 266	-	3,362,703	3,362,703
Cell 267	-	8,312,155	8,312,155
Cell 268	-	3,969,402	3,969,402
Cell 269	-	18,336,426	18,336,426
Cell 270	-	12,252,302	12,252,302
Management Shares	2	-	2
TOTAL	895,018,542	(154,010,232)	741,008,310

	Issued Share capital as at 31 March 2017	Shares Issued / (Redeemed)	Issued Share capital as at 31 March 2018
Allotted, called-up and fully paid			
	GBP	GBP	GBP
Cell 199	8	(8)	-
Cell 207	4	(4)	-
Cell 209	7	(7)	-
Cell 211	3	(3)	-
Cell 213	4	(4)	-
Cell 215	4	(4)	-
Cell 218	16	(16)	-
Cell 220	1	(1)	-
Cell 222	2	(2)	-
Cell 224	6	-	6
Cell 226	7	-	7
Cell 228	5	-	5
Cell 230	7	-	7
Cell 232	17	-	17
Cell 234	4	-	4
Cell 236	28	-	28
Cell 238	1	-	1
Cell 240	19	-	19
Cell 241	5	(5)	-
Cell 242	9	-	9
Cell 243	12	(12)	-
Cell 244	11	-	11
Cell 245	12	(12)	-
Cell 246	14	-	14
Cell 247	15	-	15
Cell 248	7	-	7
Cell 249	7	-	7
Cell 250	10	-	10
Cell 251	19	-	19

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018 (continued)

7 SHARE CAPITAL (continued)

	Issued Share capital as at 31 March 2017	Shares Issued / (Redeemed)	Issued Share capital as at 31 March 2018
Allotted, called-up and fully paid	GBP	GBP	GBP
Cell 252	60	-	60
Cell 253	50	-	50
Cell 254	32	-	32
Cell 255	30	-	30
Cell 256	34	-	34
Cell 257	19	-	19
Cell 258	6	-	6
Cell 259	24	-	24
Cell 260	31	-	31
Cell 261	18	-	18
Cell 262	34	-	34
Cell 263	41	-	41
Cell 264	29	-	29
Cell 265	26	-	26
Cell 266	3	-	3
Cell 267	8	-	8
Cell 268	4	-	4
Cell 269	18	-	18
Cell 270	12	-	12
Management Shares	2	-	2
TOTAL	745	(78)	667

	Issued Share capital as at 1 April 2016	Shares Issued / (Redeemed)	Issued Share capital as at 31 March 2017
Allotted, called-up and fully paid	GBP	GBP	GBP
Cell 176	18	(18)	-
Cell 177	8	(8)	-
Cell 178	4	(4)	-
Cell 179	11	(11)	-
Cell 181	10	(10)	-
Cell 182	12	(12)	-
Cell 183	1	(1)	-
Cell 184	9	(9)	-
Cell 186	4	(4)	-
Cell 187	4	(4)	-
Cell 188	4	(4)	-
Cell 190	25	(25)	-
Cell 191	5	(5)	-
Cell 193	3	(3)	-
Cell 194	1	(1)	-
Cell 196	6	(6)	-
Cell 197	1	(1)	-
Cell 199	8	-	8
Cell 201	12	(12)	-
Cell 203	3	(3)	-
Cell 205	10	(10)	-
Cell 207	4	-	4
Cell 209	7	-	7
Cell 211	3	-	3
Cell 213	4	-	4
Cell 215	4	-	4
Cell 218	16	-	16
Cell 220	1	-	1
Cell 222	2	-	2
Cell 224	6	-	6

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018 (continued)

7 SHARE CAPITAL (continued)

	Issued Share capital as at 1 April 2016	Shares Issued / (Redeemed)	Issued Share capital as at 31 March 2017
Allotted, called-up and fully paid	GBP	GBP	GBP
Cell 225	1	(1)	-
Cell 226	7	-	7
Cell 228	5	-	5
Cell 230	7	-	7
Cell 231	26	(26)	-
Cell 232	17	-	17
Cell 233	37	(37)	-
Cell 234	4	-	4
Cell 235	7	(7)	-
Cell 236	28	-	28
Cell 237	2	(2)	-
Cell 238	1	-	1
Cell 240	19	-	19
Cell 241	5	-	5
Cell 242	9	-	9
Cell 243	12	-	12
Cell 244	11	-	11
Cell 245	12	-	12
Cell 246	14	-	14
Cell 247	15	-	15
Cell 248	7	-	7
Cell 249	7	-	7
Cell 250	10	-	10
Cell 251	19	-	19
Cell 252	60	-	60
Cell 253	50	-	50
Cell 254	32	-	32
Cell 255	30	-	30
Cell 256	34	-	34
Cell 257	19	-	19
Cell 258	6	-	6
Cell 259	24	-	24
Cell 260	31	-	31
Cell 261	18	-	18
Cell 262	34	-	34
Cell 263	41	-	41
Cell 264	29	-	29
Cell 265	-	26	26
Cell 266	-	3	3
Cell 267	-	8	8
Cell 268	-	4	4
Cell 269	-	18	18
Cell 270	-	12	12
Management Shares	2	-	2
TOTAL	898	(153)	745

Management shares are not entitled to receive and shall not participate in any dividends or other distributions out of the profits of the Company. The holders of the Management shares shall be entitled to receive notice of and to attend and vote at general meetings. The Management shares are not redeemable.

Shares held in Cells 224, 226, 228, 230, 232, 234, 236, 238, 240, 242, 244 and 246 to 270 shall not be entitled to receive and shall not participate in any dividends or other distributions out of the profits of the Company. On their respective redemption dates the holders of Shares shall be entitled to an amount equal to the Net Asset Value per Share. As disclosed in the Securities Note for each cell, the Shares of the relevant cell will be compulsorily redeemed by the Company on their respective Redemption Dates. The holders of the Shares shall be entitled to receive notice of and to attend and vote at separate general meetings in relation to that Share.

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018 (continued)

8 SHARE PREMIUM

	Share premium as at 31 March 2017	Share premium on Protected Cell Guaranteed Shares	Share premium as at 31 March 2018
	GBP	GBP	GBP
Cell 199	7,769,089	(7,769,089)	-
Cell 207	3,937,235	(3,937,235)	-
Cell 209	7,140,442	(7,140,442)	-
Cell 211	2,803,602	(2,803,602)	-
Cell 213	3,740,064	(3,740,064)	-
Cell 215	3,907,535	(3,907,535)	-
Cell 218	16,075,949	(16,075,949)	-
Cell 220	880,190	(880,190)	-
Cell 222	2,429,600	(2,429,600)	-
Cell 224	5,593,806	-	5,593,806
Cell 226	6,871,727	-	6,871,727
Cell 228	4,769,963	-	4,769,963
Cell 230	6,895,605	-	6,895,605
Cell 232	16,870,149	-	16,870,149
Cell 234	3,506,400	-	3,506,400
Cell 236	28,325,083	-	28,325,083
Cell 238	589,290	-	589,290
Cell 240	18,769,038	-	18,769,038
Cell 241	5,442,187	(5,442,187)	-
Cell 242	8,273,472	-	8,273,472
Cell 243	11,966,245	(11,966,245)	-
Cell 244	11,137,379	-	11,137,379
Cell 245	12,122,126	(12,122,126)	-
Cell 246	13,822,132	-	13,822,132
Cell 247	15,177,775	-	15,177,775
Cell 248	6,697,719	-	6,697,719
Cell 249	6,629,621	-	6,629,621
Cell 250	10,162,691	-	10,162,691
Cell 251	18,776,546	-	18,776,546
Cell 252	59,724,029	-	59,724,029
Cell 253	50,174,266	-	50,174,266
Cell 254	31,497,602	-	31,497,602
Cell 255	29,573,346	-	29,573,346
Cell 256	33,693,467	-	33,693,467
Cell 257	19,399,343	-	19,399,343
Cell 258	6,348,434	-	6,348,434
Cell 259	24,107,260	-	24,107,260
Cell 260	31,061,165	-	31,061,165
Cell 261	17,879,200	-	17,879,200
Cell 262	34,037,207	-	34,037,207
Cell 263	40,861,908	-	40,861,908
Cell 264	29,049,296	-	29,049,296
Cell 265	22,471,468	-	22,471,468
Cell 266	3,362,133	-	3,362,133
Cell 267	8,311,703	-	8,311,703
Cell 268	3,969,271	-	3,969,271
Cell 269	18,333,337	-	18,333,337
Cell 270	12,248,747	-	12,248,747
TOTAL	737,185,842	(78,214,264)	658,971,578

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018 (continued)

8 SHARE PREMIUM (continued)

31 March 2017

	Share premium as at 1 April 2016	Share premium on Protected Cell Guaranteed Shares	Share premium as at 31 March 2017
	GBP	GBP	GBP
Cell 8	255,275	(255,275)	-
Cell 176	18,025,597	(18,025,597)	-
Cell 177	8,302,743	(8,302,743)	-
Cell 178	3,675,374	(3,675,374)	-
Cell 179	10,981,503	(10,981,503)	-
Cell 181	10,367,301	(10,367,301)	-
Cell 182	12,131,806	(12,131,806)	-
Cell 183	1,456,488	(1,456,488)	-
Cell 184	9,303,896	(9,303,896)	-
Cell 186	4,174,340	(4,174,340)	-
Cell 187	3,812,051	(3,812,051)	-
Cell 188	3,519,300	(3,519,300)	-
Cell 190	24,629,408	(24,629,408)	-
Cell 191	5,143,629	(5,143,629)	-
Cell 193	3,301,290	(3,301,290)	-
Cell 194	1,323,459	(1,323,459)	-
Cell 196	5,861,716	(5,861,716)	-
Cell 197	1,382,905	(1,382,905)	-
Cell 199	7,769,089	-	7,769,089
Cell 201	11,520,376	(11,520,376)	-
Cell 203	3,462,481	(3,462,481)	-
Cell 205	10,176,199	(10,176,199)	-
Cell 207	3,937,235	-	3,937,235
Cell 209	7,140,442	-	7,140,442
Cell 211	2,803,602	-	2,803,602
Cell 213	3,740,064	-	3,740,064
Cell 215	3,907,535	-	3,907,535
Cell 218	16,075,949	-	16,075,949
Cell 220	880,190	-	880,190
Cell 222	2,429,600	-	2,429,600
Cell 224	5,593,806	-	5,593,806
Cell 225	936,521	(936,521)	-
Cell 226	6,871,727	-	6,871,727
Cell 228	4,769,963	-	4,769,963
Cell 230	6,895,605	-	6,895,605
Cell 231	26,378,176	(26,378,176)	-
Cell 232	16,870,149	-	16,870,149
Cell 233	37,245,523	(37,245,523)	-
Cell 234	3,506,400	-	3,506,400
Cell 235	7,098,165	(7,098,165)	-
Cell 236	28,325,083	-	28,325,083
Cell 237	1,822,522	(1,822,522)	-
Cell 238	589,290	-	589,290
Cell 239	41,247	(41,247)	-
Cell 240	18,769,038	-	18,769,038
Cell 241	5,442,187	-	5,442,187
Cell 242	8,273,472	-	8,273,472
Cell 243	11,966,245	-	11,966,245
Cell 244	11,137,379	-	11,137,379
Cell 245	12,122,126	-	12,122,126
Cell 246	13,822,132	-	13,822,132
Cell 247	15,177,775	-	15,177,775
Cell 248	6,697,719	-	6,697,719
Cell 249	6,629,621	-	6,629,621
Cell 250	10,162,691	-	10,162,691
Cell 251	18,776,546	-	18,776,546
Cell 252	59,724,029	-	59,724,029
Cell 253	50,174,266	-	50,174,266

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018 (continued)

8 SHARE PREMIUM (continued)

	Share premium as at 1 April 2016	Share premium on Protected Cell Guaranteed Shares	Share premium as at 31 March 2017
	GBP	GBP	GBP
Cell 254	31,497,602	-	31,497,602
Cell 255	29,573,346	-	29,573,346
Cell 256	33,693,467	-	33,693,467
Cell 257	19,399,343	-	19,399,343
Cell 258	6,348,434	-	6,348,434
Cell 259	24,107,260	-	24,107,260
Cell 260	31,061,165	-	31,061,165
Cell 261	17,879,200	-	17,879,200
Cell 262	34,037,207	-	34,037,207
Cell 263	40,861,908	-	40,861,908
Cell 264	29,049,296	-	29,049,296
Cell 265	3,644,098	18,827,370	22,471,468
Cell 266		3,362,133	3,362,133
Cell 267		8,311,703	8,311,703
Cell 268		3,969,271	3,969,271
Cell 269		18,333,337	18,333,337
Cell 270		12,248,747	12,248,747
TOTAL	898,462,572	(161,276,730)	737,185,842

	Mar-18	Mar-17
Movement in Other Reserves on redemption of shares		
Opening Balance	86,843,662	66,280,623
On redemption	(10,468,902)	(36,213,321)
Profit for year	10,358,714	56,776,360
Carried Forward	86,733,474	86,843,662

9 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk is inherent in the Company's activities, but it is managed through a process of ongoing identification, measurement, monitoring and, where possible, mitigation of risks. A risk matrix has been established by the Board and is reviewed quarterly. The main risks arising from the Company's financial instruments are market price risk, credit risk and liquidity risk. The Board regularly reviews and agrees policies for managing each of these risks and these are summarised below. There is no significant interest rate risk or foreign exchange risk as none of the Company's significant financial instruments are interest bearing and all exposures or positions are GBP denominated.

(a) Market Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Company might suffer through holding market positions in the face of price movements. The principal components of market risk for the Company relates to the risk of adverse movements in the value of the market price of the index underlying each Cell Investment Plan. The Investment Counterparty actively monitors market prices and reports to the Board as to the appropriateness of the prices used for valuation purposes. All cells have a minimum return at maturity, although this value is not assured during the life of the Cell prior to maturity.

Price sensitivity

If market prices as at 31 March 2018 had been 10% higher or lower, and assuming these values were to remain unchanged through to the end of the life of the Cells, with all the other variables held constant, the increase or decrease in net assets attributable to holders of Shares on the Maturity Date would have been as stated below, arising due to the increase or decrease in the fair value of financial assets at fair value through profit or loss. For most of the Cells, the effect of movements in the FTSE100 Index have been used in these sensitivity calculations as the FTSE100 Index is considered to be the market whose movements would have the greatest effect on the market price of each Cell's investments.

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018 (continued)

9 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(a) Market Price Risk (continued)

This can be summarised in the following table:

Index	31 March 2018	
	Number of Cells	Total Market Value
		GBP
FTSE 100	36	749,349,816
TOTAL		<u>749,349,816</u>

Index	31 March 2017	
	Number of Cells	Total Market Value
		GBP
FTSE 100	48	827,692,420
TOTAL		<u>827,692,420</u>

The following table details each Cell's sensitivity to a 10% increase and decrease in the index levels affecting its investments.

Cell	Increase in net assets attributable to holders of Shares		Decrease in net assets attributable to holders of Shares	
	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2018	Year ended 31 March 2017
	GBP	GBP	GBP	GBP
Cell 207	-	202,431	-	(194,986)
Cell 209	-	424,324	-	(381,691)
Cell 211	-	5,990	-	(5,990)
Cell 213	-	223,513	-	(122,965)
Cell 215	-	213,116	-	(106,402)
Cell 218	-	745,301	-	(311,745)
Cell 220	-	85,096	-	(77,737)
Cell 222	-	222,579	-	(230,016)
Cell 224	33,177	459,708	(16,588)	(500,290)
Cell 226	-	118,111	-	(318,731)
Cell 228	-	88,305	-	(224,319)
Cell 230	81,714	235,989	(4,085)	(490,114)
Cell 232	817,577	495,875	(81,679)	(942,942)
Cell 234	28,512	121,478	(44,008)	(70,875)
Cell 236	1,387,635	1,821,128	(1,144,223)	(1,529,505)
Cell 238	13,874	34,731	(14,934)	(23,413)
Cell 240	102,074	498,848	(143,198)	(277,142)
Cell 241	-	9,999	-	(9,999)
Cell 242	37,479	194,737	(51,099)	(106,624)
Cell 243	-	248,825	-	(177,524)
Cell 244	79,097	280,068	(86,932)	(167,964)
Cell 245	-	514,773	-	(333,369)
Cell 246	67,281	393,312	(117,076)	(215,344)
Cell 247	583,513	902,523	(434,182)	(703,120)
Cell 248	576,486	495,232	(340,256)	(487,963)
Cell 249	516,166	472,349	(314,358)	(452,902)
Cell 250	635,379	693,599	(423,000)	(620,651)
Cell 251	1,207,571	1,252,516	(777,344)	(1,141,314)
Cell 252	3,865,643	2,581,238	(1,805,615)	(2,905,610)
Cell 253	3,066,415	2,016,819	(1,374,448)	(2,326,435)
Cell 254	1,716,218	1,121,067	(745,385)	(1,320,429)
Cell 255	1,236,344	517,769	(321,111)	(783,758)
Cell 256	1,503,625	1,086,464	(747,930)	(1,165,968)

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018 (continued)

9 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(a) Market Price Risk (continued)

	Increase in net assets attributable to holders of Shares		Decrease in net assets attributable to holders of Shares	
	Year ended 31 March 2018	Year ended 31 March 2017	Year ended 31 March 2018	Year ended 31 March 2017
Cell 257	748,326	399,687	(350,284)	(479,862)
Cell 258	223,495	158,668	(110,135)	(171,683)
Cell 259	1,066,126	756,885	(525,373)	(818,972)
Cell 260	1,009,369	666,722	(448,506)	(772,898)
Cell 261	505,868	324,184	(206,441)	(399,429)
Cell 262	1,105,995	704,740	(453,041)	(865,896)
Cell 263	2,113,970	1,637,099	(1,085,445)	(1,713,689)
Cell 264	1,360,989	1,182,007	(759,110)	(1,164,578)
Cell 265	846,046	555,210	(371,665)	(649,058)
Cell 266	84,346	75,121	(48,729)	(72,621)
Cell 267	163,384	144,884	(94,734)	(140,052)
Cell 268	61,171	55,468	(36,430)	(52,987)
Cell 269	181,589	175,797	(111,403)	(163,805)
Cell 270	157,968	175,619	(104,430)	(155,706)
Total	27,184,422	25,789,904	(13,693,177)	(26,349,073)

(b) Credit Risk

Credit risk is the risk that the Investment Counterparty does not meet a commitment that it has entered into with the Company. At the date of this report all investments were issued by one counterparty, being Santander UK plc ("Santander"), which held a credit rating of A1 using the Moody's credit ratings. Such concentration of risk is monitored by the directors regularly observing the credit rating of Santander. The maximum credit risk of the Company in relation to Santander as at 31 March 2018 is £749,349,816 (31 March 2017 : £827,692,420).

The allotments from new investees during a cell's offer period are held with only one bank, being Royal Bank of Scotland International Limited, the ultimate parent company of which hold a long term credit rating of Ba1 using the Moody's credit rating system. The maximum credit risk of the Company in relation to the Royal Bank of Scotland International Limited as at 31 March 2018 is £125,002 (31 March 2017 : £125,458).

All returns on the Equity Index Swap Transactions have a guaranteed minimum level and a maximum level based on the performance of the FTSE 100 Index over the life of the Cell, as relevant and as identified in Note 9a. The table below sets out the guaranteed and maximum amounts of each cell at maturity date together with an "undiscounted value".

The NAV of each cell are disclosed in Note 3 and is equal to the fair value of each cell's investment. This fair value is a discounted amount, allowing for the time value of money up to the expected date of maturity of the cell and its investment. In order to allow a direct comparison between guaranteed and maximum amount (which are not discounted) an "undiscounted value" has been calculated which excludes the effect of the time value of money from the calculation of fair value in Note 3.

Cell	Maturity Date	Undiscounted	Redemption Amount	
		Value	Guaranteed	Maximum
Cell 224	10 April 2018	7,245,923	6,043,753	7,834,495
Cell 226	10 May 2018	10,311,274	6,908,342	10,310,958
Cell 228	05 June 2018	7,156,155	4,794,836	7,156,472
Cell 230	06 August 2018	10,336,022	6,931,761	10,345,913
Cell 232	11 October 2018	23,500,283	16,962,044	23,628,718
Cell 234	06 December 2018	3,926,263	3,893,337	Note 9bi
Cell 236	07 January 2019	32,979,659	31,169,695	39,670,520
Cell 238	05 March 2019	670,894	654,205	854,592
Cell 240	04 April 2019	20,770,672	20,650,838	Note 9bi
Cell 242	06 June 2019	9,147,475	9,102,078	Note 9bi
Cell 244	21 August 2019	12,129,132	12,029,781	16,708,029
Cell 246	03 January 2019	14,940,064	14,860,249	20,735,231
Cell 247	12 December 2019	16,840,571	15,939,357	22,770,510
Cell 248	30 January 2020	7,926,145	6,865,391	10,046,913

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018 (continued)

9 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Credit Risk (continued)

Cell	Maturity Date	Undiscounted Value	Redemption Amount	
			Guaranteed	Maximum
Cell 249	13 March 2020	7,753,864	6,828,751	9,944,783
Cell 250	08 May 2020	11,471,831	10,417,758	15,245,499
Cell 251	18 June 2020	21,340,177	19,249,546	28,170,068
Cell 252	27 August 2020	71,428,183	61,233,481	81,246,374
Cell 253	06 November 2020	61,194,035	51,441,597	68,254,217
Cell 254	23 December 2020	38,109,403	32,290,823	42,214,344
Cell 255	03 January 2019	33,711,909	30,318,734	34,311,933
Cell 256	21 December 2020	38,284,293	34,546,372	43,140,836
Cell 257	21 March 2019	21,154,070	19,891,306	22,123,013
Cell 258	16 November 2020	7,108,024	6,509,402	7,747,776
Cell 259	16 November 2020	27,474,248	24,714,392	30,621,735
Cell 260	23 December 2020	35,053,520	31,844,303	37,591,812
Cell 261	10 December 2020	20,382,964	18,329,969	21,459,476
Cell 262	12 November 2020	39,542,150	34,896,589	41,535,453
Cell 263	29 December 2020	47,312,234	41,898,027	55,182,767
Cell 264	21 December 2020	32,811,481	29,784,516	39,228,386
Cell 265	11 December 2020	29,541,806	26,776,442	31,609,263
Cell 266	31 December 2020	3,616,096	3,446,771	4,035,244
Cell 267	21 December 2020	8,839,920	8,519,959	9,642,100
Cell 268	02 November 2020	4,180,116	4,068,637	4,485,424
Cell 269	31 December 2020	19,072,707	18,794,837	20,170,069
Cell 270	17 December 2020	12,631,969	12,313,564	13,722,578

31 March 2017

Cell	Maturity Date	Undiscounted Value	Redemption Amount	
			Guaranteed	Maximum
Cell 199	06 April 2017	8,625,822	8,626,031	Note 9bi
Cell 207	10 August 2017	4,838,438	4,450,600	Note 9bi
Cell 209	11 September 2017	8,561,026	7,928,709	Note 9bi
Cell 211	10 April 2017	3,248,477	3,168,852	Note 9bi
Cell 213	09 November 2017	4,379,509	4,227,496	Note 9bi
Cell 215	07 December 2017	4,548,272	4,416,367	Note 9bi
Cell 218	10 January 2018	18,555,805	18,172,381	Note 9bi
Cell 220	08 February 2018	1,084,925	950,854	1,232,588
Cell 222	07 March 2018	3,025,780	2,575,842	3,402,056
Cell 224	12 April 2018	7,050,694	6,043,753	7,834,495
Cell 226	14 May 2018	10,139,183	6,908,342	10,310,958
Cell 228	07 June 2018	7,024,661	4,794,836	7,156,472
Cell 230	08 August 2018	9,966,613	6,931,761	10,345,913
Cell 232	15 October 2018	22,767,062	16,962,044	23,628,718
Cell 234	10 December 2018	4,008,255	3,893,337	Note 9bi
Cell 236	09 January 2019	34,094,875	31,169,695	39,670,520
Cell 238	07 March 2019	693,190	654,205	854,592
Cell 240	08 April 2019	21,060,953	20,650,838	Note 9bi
Cell 241	10 April 2017	5,802,834	5,605,458	7,346,959
Cell 242	10 June 2019	9,258,965	9,102,078	Note 9bi
Cell 243	12 June 2017	12,769,085	12,564,570	16,154,447
Cell 244	23 August 2019	12,293,997	12,029,781	16,708,029
Cell 245	23 August 2017	12,884,326	12,485,802	16,364,886
Cell 246	07 January 2019	15,192,301	14,860,249	20,735,231
Cell 247	16 December 2019	17,360,577	15,939,357	22,770,510
Cell 248	03 February 2020	8,105,147	6,865,391	10,046,913
Cell 249	17 March 2020	7,952,650	6,828,751	9,944,783
Cell 250	12 May 2020	11,842,224	10,417,758	15,245,499
Cell 251	23 June 2020	21,963,190	19,249,546	28,170,068
Cell 252	01 September 2020	71,235,178	61,233,481	81,246,374
Cell 253	10 November 2020	60,282,372	51,441,597	68,254,217
Cell 254	30 December 2020	37,748,211	32,290,823	42,214,344

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018 (continued)

9 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Credit Risk (continued)

Cell	Maturity Date	Undiscounted Value	Redemption Amount	
			Guaranteed	Maximum
Cell 255	07 January 2019	33,279,519	30,318,734	34,311,933
Cell 256	23 December 2020	38,318,727	34,546,372	43,140,836
Cell 257	25 March 2019	21,145,920	19,891,306	22,123,013
Cell 258	18 November 2020	7,061,992	6,509,402	7,747,776
Cell 259	18 November 2020	27,369,402	24,714,392	30,621,735
Cell 260	30 December 2020	34,855,768	31,844,303	37,591,812
Cell 261	14 December 2020	20,202,425	18,329,969	21,459,476
Cell 262	16 November 2020	38,852,642	34,896,589	41,535,453
Cell 263	31 December 2020	47,469,061	41,898,027	55,182,767
Cell 264	21 December 2020	33,183,720	29,784,516	39,228,386
Cell 265	15 December 2020	29,361,720	26,776,442	31,609,263
Cell 266	31 December 2020	3,638,077	3,446,771	4,035,244
Cell 267	21 December 2020	9,081,952	8,519,959	9,642,100
Cell 268	02 November 2020	4,294,106	4,068,637	4,485,424
Cell 269	31 December 2020	19,161,394	18,794,837	20,170,069
Cell 270	21 December 2020	12,704,371	12,313,564	13,722,578

Note 9 bi Maturity Proceeds will be based on aggregated return of the FTSE Index over the Averaging Periods as defined in the individual term sheets.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in realising assets or otherwise raising funds to meet financial commitments. The only financial commitments of the Company are meeting ongoing expenses and these are met out of monies provided to the Company's Administrator by the Investment Advisor.

The Company's liability to Shareholders to meet the redemption amount on Shares of each Cell is matched exactly to the maturity date of the Investments allocated to that Cell (Refer to 9 (b) Credit Risk). Therefore, the Company, as a whole, and each Cell individually, has no liquidity mismatch.

Shareholders will be assured of receiving the Guaranteed Return in respect of their Shareholding on the relevant maturity date only if either:

i) The "Investment Advisor" satisfies its obligations under the Protected Cell Equity Index Derivative to pay the Company an amount at least equal in aggregate to the Guaranteed Return for their Shares on or around the relevant maturity date;

ii) Santander Guarantee Company ("SGC"), a wholly owned direct subsidiary of Santander (UK) plc., satisfies its obligations under the Cell Guarantee Facility Agreement applicable to the Shares on the maturity date if Shareholders do not receive an amount at least equal to the Guaranteed Return in respect of their Shares held until they are redeemed on the maturity date and, if necessary, Santander (UK) plc. satisfies its obligations to SGC under the Conditional Share Subscription Agreement.

If the "Investment Advisor" were to fail to perform its obligations under the terms of the Financial Transactions and SGC were to default under the Cell Guarantee Facility Agreement applicable to the Shares, the Shareholders could lose some or all of their investment.

(d) Capital Management

The capital comprises of the net assets attributable to holders of shares of the Company. Capital is managed by entering into an investment which has agreed terms for each protected cell comprising of a guaranteed fixed amount and a growth amount depending on the performance of the underlying investment, (this is further explained in Note 1(d)), which is matched to the maturity of liabilities.

Guaranteed Investment Products 1 PCC Limited
Notes to the Financial Statements
For the year ended 31 March 2018 (continued)

10 ONGOING EXPENSES

	Year ended	Year ended
	31 March 2018	31 March 2017
	GBP	GBP
Annual Fees	45,000	42,200
Audit Fees	51,412	48,147
Directors' Fees	68,483	140,672
Administration Fees	153,404	95,288
Registrar's Fees	-	13,677
Other Sundry Expenses	29,223	61,862
TOTAL	347,522	401,846

The ongoing expenses were paid out of monies provided by the "Investment Advisor", which are not assets of the Company.

11 RELATED PARTY TRANSACTIONS

Anson Registrars Limited is the Registrar of the Company. John R Le Prevost is a director of Anson Registrars Limited and during the year £0 (31 March 2017: £13,677) of costs were incurred on behalf of the Company, of which £nil (31 March 2017: £1,641) was owing at the period end in fees to the Registrar.

The Company has appointed Santander as its investment advisor. This took effect from 17 January 2018, novating the previous agreement in place with ANTS. During the year £Nil (31 March 2017: £306,621) of costs were incurred. Santander UK Plc is the immediate parent company of ANTS. The Company is consolidated into the accounts of Santander UK Plc. Notwithstanding this fact, the Board consider that the limited rights attaching to the shares held by Abbey National Nominees Limited means that Santander should not be considered the ultimate parent of the Company.

The directors are entitled to remuneration for their services at rates determined by the annual general meeting of the shareholders. In addition, directors are reimbursed for reasonable travelling, hotel and other incidental expenses in respect of attending meetings of the directors or meetings of the Company. See Note 10 for details on directors' expenses.

12 SUBSEQUENT EVENTS

On 12 April 2018 the Company redeemed 5,596,068,147 Protected Cell 224 shares for £7,246,908.06

On 14 May 2018 the Company redeemed 6,873,972 Protected Cell 226 shares for £10,310,958.00

On 7 June 2018 the Company redeemed 4,770,981 Protected Cell 228 shares for £7,156,471.50

There are no other events that have occurred between the period end and signing of these financial statements which require disclosure within the financial statements.

Guaranteed Investment Products 1 PCC Limited
UNAUDITED SCHEDULE OF INVESTMENTS
as at 31 March 2018

	As at 31 March 2018		As at 31 March 2017	
	NOMINAL GBP	VALUATION GBP	NOMINAL GBP	VALUATION GBP
Cell 199	-	-	7,222,817	8,624,478
Cell 207	-	-	3,823,561	4,823,190
Cell 209	-	-	6,919,999	8,527,291
Cell 211	-	-	2,715,216	3,247,653
Cell 213	-	-	3,645,855	4,355,069
Cell 215	-	-	3,825,074	4,519,545
Cell 218	-	-	15,522,383	18,421,648
Cell 220	-	-	870,506	1,077,194
Cell 222	-	-	2,354,606	3,003,043
Cell 224	5,355,006	7,243,553	5,355,006	6,991,168
Cell 226	6,726,006	10,301,334	6,726,006	10,063,495
Cell 228	4,662,341	7,145,498	4,662,341	6,968,018
Cell 230	6,766,908	10,306,598	6,766,908	9,868,621
Cell 232	16,364,423	23,390,743	16,364,423	22,481,038
Cell 234	3,367,156	3,894,039	3,367,156	3,933,323
Cell 236	27,373,162	32,691,342	27,373,162	33,453,583
Cell 238	575,794	663,635	575,794	678,016
Cell 240	18,032,905	20,519,423	18,032,905	20,551,338
Cell 241	-	-	5,406,818	5,801,377
Cell 242	7,915,599	9,015,194	7,915,599	9,009,402
Cell 243	-	-	11,856,011	12,745,260
Cell 244	10,643,369	11,919,508	10,643,369	11,923,963
Cell 245	-	-	12,027,669	12,837,344
Cell 246	13,561,785	14,803,572	13,561,785	14,887,895
Cell 247	14,786,683	16,487,367	14,786,683	16,783,384
Cell 248	6,610,055	7,759,566	6,610,055	7,839,941
Cell 249	6,525,664	7,575,272	6,525,664	7,674,057
Cell 250	10,061,065	11,171,902	10,061,065	11,387,371
Cell 251	18,588,765	20,746,316	18,588,765	21,080,601
Cell 252	59,126,630	69,322,158	59,126,630	68,199,048
Cell 253	49,672,401	59,235,626	49,672,401	57,534,290
Cell 254	31,214,081	36,792,636	31,214,081	35,932,598
Cell 255	29,425,456	33,433,430	29,425,456	32,658,453
Cell 256	33,356,442	36,888,785	33,356,442	36,389,969
Cell 257	19,302,312	20,921,772	19,302,312	20,667,552
Cell 258	6,300,764	6,857,417	6,300,764	6,711,352
Cell 259	23,986,680	26,522,762	23,986,680	26,038,119
Cell 260	30,753,240	33,754,962	30,753,240	33,065,261
Cell 261	17,745,075	19,651,516	17,745,075	19,188,348
Cell 262	33,701,642	38,202,403	33,701,642	36,976,767
Cell 263	40,458,873	45,601,404	40,458,873	45,110,890
Cell 264	28,836,361	31,618,079	28,836,361	31,530,905
Cell 265	25,958,806	28,471,848	25,958,806	27,878,848
Cell 266	3,345,322	3,475,354	3,345,322	3,444,080
Cell 267	8,270,150	8,496,685	8,270,150	8,607,237
Cell 268	3,957,367	4,026,958	3,957,367	4,078,561
Cell 269	18,315,019	18,305,254	18,315,019	18,103,553
Cell 270	12,187,498	12,135,905	12,187,498	12,018,283
TOTAL	653,830,805	749,349,816	730,021,320	827,692,420

**Guaranteed Investment Products 1 PCC Limited
Directors, Advisors and Other Information**

DIRECTORS

Gavin J Farrell
John R Le Prevost
Paul J Meader
Breton Limited (Alternate Director) - resigned 16 May 2018

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