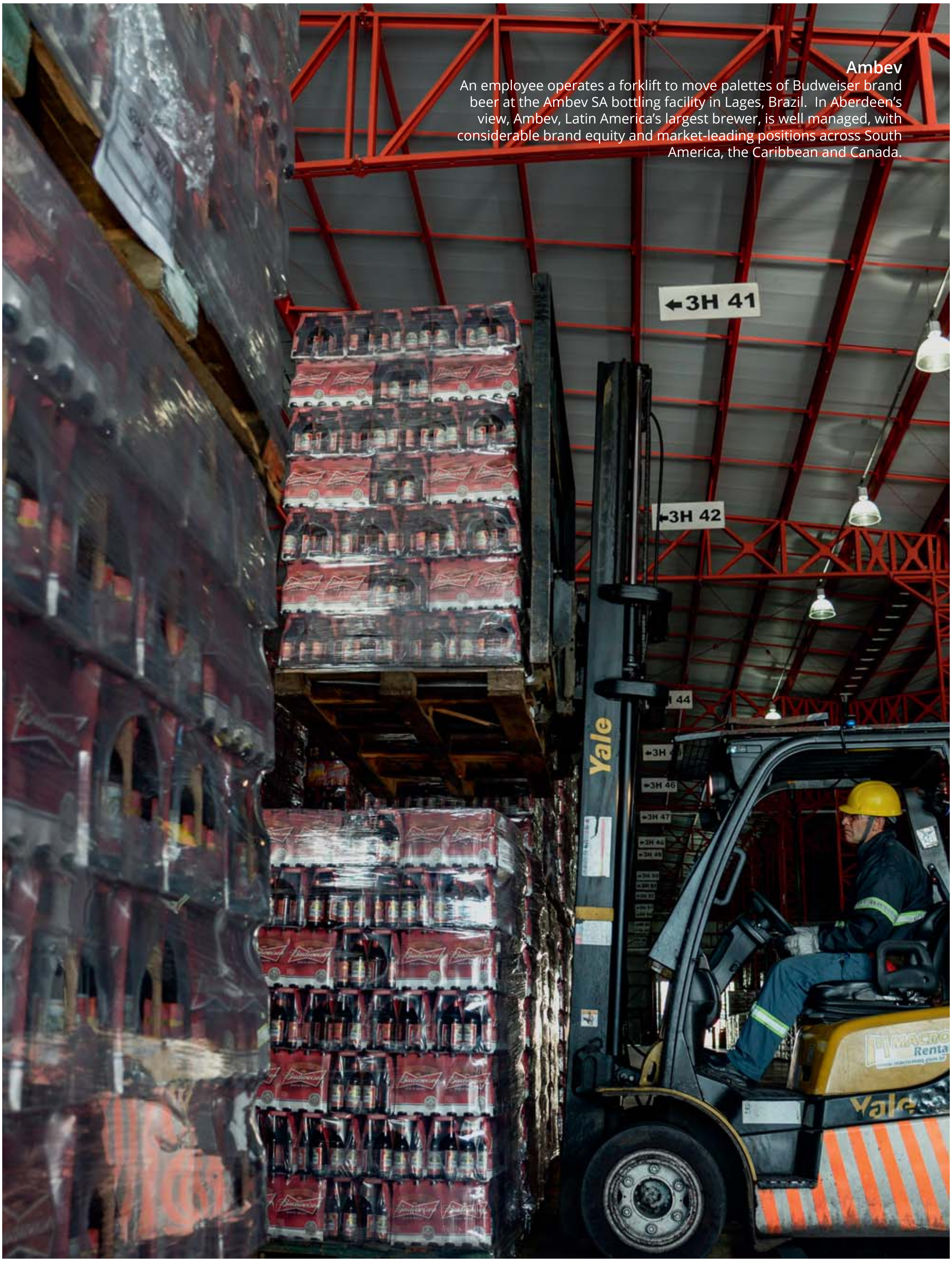
Aberdeen Latin American Income Fund Limited

Capturing the powerful income potential of
Latin American equities and bonds

Annual Report and Financial Statements
31 August 2019



Ambev
An employee operates a forklift to move palettes of Budweiser brand beer at the Ambev SA bottling facility in Lages, Brazil. In Aberdeen's view, Ambev, Latin America's largest brewer, is well managed, with considerable brand equity and market-leading positions across South America, the Caribbean and Canada.

The cover image is of The Museum of Tomorrow (Museu do Amanha), designed by Spanish architect Santiago Calatrava, in Rio de Janeiro, Brazil.

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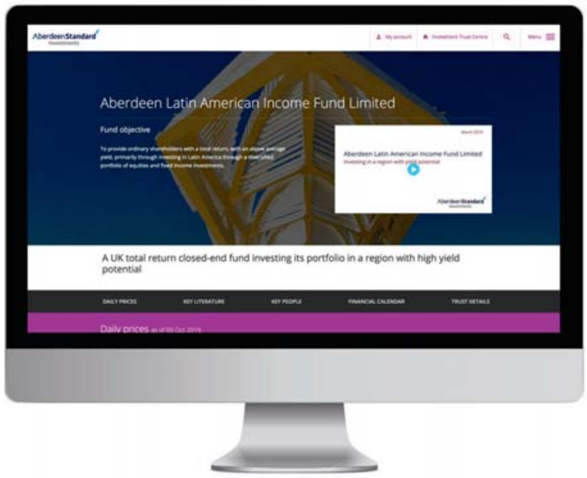


Visit our Website

To find out more about Aberdeen Latin American Income Fund Limited, please visit **latamincome.co.uk**

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser.

If you have sold or otherwise transferred all your Ordinary shares in Aberdeen Latin American Income Fund Limited, please forward this document, together with the accompanying documents immediately to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Company Overview

Aberdeen Latin American Income Fund Limited (the "Company") is a Jersey-incorporated, closed-ended investment company and its shares are traded on the main market of the London Stock Exchange ("LSE"). The Company is a member of the Association of Investment Companies ("AIC").

The Company is governed by a board of independent directors and has no employees. Like other investment companies, it outsources its investment management and administration to an investment management group, the Standard Life Aberdeen group of companies, and other third party providers. The Company does not have a fixed life.

Ordinary share price total return[A]

+19.9%

2018 **–18.5%**

Net asset value total return[A]

+22.4%

2018 **–18.8%**

Benchmark total return

+17.4%

2018 **–10.9%**

Earnings per Ordinary share (revenue)

4.27p

2018 **3.78p**

Dividends per Ordinary share

3.50p

2018 **3.50p**

Discount to net asset value per Ordinary share[A]

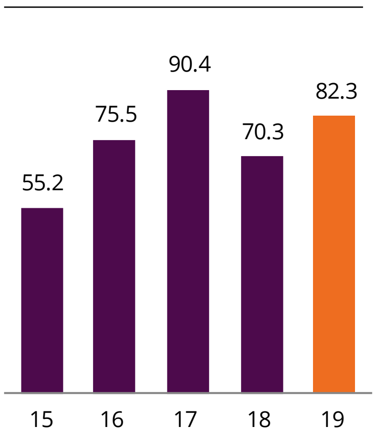
16.0%

2018 **13.6%**

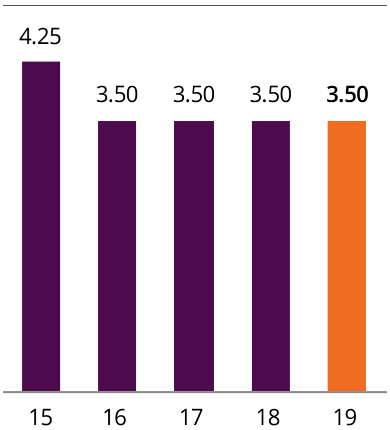
[A] Considered to be an Alternative Performance Measure. Further details can be found on page 86.

Source: AAML, Morningstar, Russell Mellon, Lipper & JPMorgan

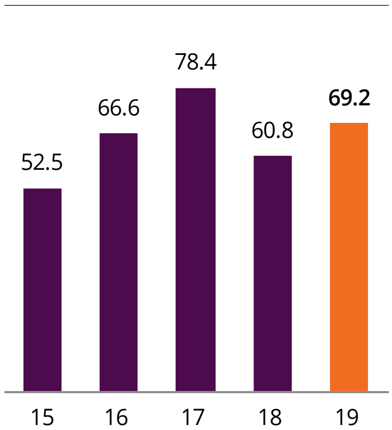
Net asset value per share
At 31 August – pence



Dividends per share
Year ended 31 August - pence



Mid-market price per share
At 31 August – pence



Investment Objective

The investment objective of the Company is to provide Ordinary Shareholders with a total return, with an above average yield, primarily through investing in Latin American securities.

Gearing

The Board considers that returns to Ordinary Shareholders can be enhanced by the judicious use of borrowing. The Board is responsible for the level of gearing in the Company and reviews the position on a regular basis. Pursuant to the level of gearing set by the Board, the Company may borrow up to an amount equal to 20% of its net assets, calculated at the time of drawing. The Company will not have any fixed, long-term borrowings.

Risk Diversification

The Company has a diversified portfolio consisting primarily of equities, equity-related and fixed income investments, with at least 25% of its gross assets invested in equity and equity-related investments and at least 25% of its gross assets invested in fixed income investments. The Company's investment policy is flexible, enabling it to invest in all types of securities, including (but not limited to) equities, preference shares, debt, convertible securities, warrants, depositary receipts and other equity-related securities.

Management

During the financial year, the Company was managed by Aberdeen Private Wealth Management Limited ("APWML"), which is registered with the Jersey Financial Services Commission ("JFSC") for the conduct of fund services business. Subsequent to the end of the Company's financial year APWML merged on 30 September 2019 with Aberdeen Standard Capital International Limited ("ASCIL"), a wholly owned subsidiary of Standard Life Aberdeen PLC, by way of a merger process set out in the Companies (Jersey) Law 1991. Following the merger, ASCIL is the ongoing entity and the new contracting party to all of APWML's previous agreements and became the Company's Manager and Company Secretary. Following the merger of APWML and ASCIL, the investment management of the Company continues to be delegated to Aberdeen Asset Managers Limited ("AAML"), a wholly owned subsidiary of Standard Life Aberdeen plc. Aberdeen Standard Investments is a brand of the investment businesses of the merged entity.

References throughout this document to Aberdeen Standard Investments refer to APWML, ASCIL and AAML and their responsibilities as Manager and Investment Manager respectively to the Company.

Financial Calendar

25 October 2019	Payment of fourth interim dividend for year ended 31 August 2019
11 December 2019	Annual General Meeting at 1st Floor, Sir Walter Raleigh House, 48 – 50 Esplanade, St Helier, Jersey JE2 3QB at 10.00am
31 January 2020	Planned payment of first interim dividend for year ending 31 August 2020
April 2020	Announcement of half yearly results for the six months ending 28 February 2020
29 May 2020	Planned payment of second interim dividend for year ending 31 August 2020
31 July 2020	Planned payment of third interim dividend for year ending 31 August 2020
30 October 2020	Planned payment of fourth interim dividend for year ending 31 August 2020
November 2020	Announcement of results for year ending 31 August 2020

Chairman's Statement

Richard Prosser
Chairman

Overview

Latin American markets delivered strong returns during the year under review. Equities were volatile yet ended as one of the best performing emerging markets over the period, while bond markets had comparable returns. Despite global uncertainties and trade worries, domestic events played a larger role in shaping the trajectory of the markets in the region. Most notably, the Brazilian equity market single-handedly pulled the region into positive territory. This was largely due to the positive election outcome and policy developments. Conversely, the Mexican market fell on deteriorating economic activity and Argentina suffered a late decline after unexpected primary election results which gave left-wing candidate Alberto Fernandez a stronger chance of winning the presidential race.

Against this backdrop, I am happy to report that your Company's net asset value ("NAV") rose by 22.4% in sterling terms and on a total returns basis, well ahead of the benchmark's 17.4% gain. Despite the tough market conditions, your Manager's continued commitment to a long-term, bottom-up investment strategy and a firm conviction to the underlying holdings, with their robust balance sheets and good cash flow, supported performance. Further detail is available in your Investment Manager's Review.

A few key themes stood out over the past year, none more so than elections. Two of Latin America's largest economies, Brazil and Mexico, elected new presidents. In Brazil, stocks rebounded on Jair Bolsonaro's win in October, and maintained its upward momentum on encouraging prospects that the proposed pension reforms will be approved. Mexico's President Andrés Manuel López Obrador's ("AMLO") win brought uncertainty around policy making and economic growth. The new government's controversial decisions on key infrastructure projects, based on unconventional public referenda and its interference in banking policies hampered sentiment.

The US-China trade war unsettled markets and, in Mexico, uncertainties over the US-Mexico-Canada Agreement ("USMCA") kept investors guessing. Tensions with the US rose as Washington DC threatened to close the border with Mexico over illegal migration issues. However, negotiations are underway to resolve this and ratify their trade agreement.

Monetary policy also played a major role during the review period, as initial tightening was replaced by the US Federal Reserve's (the "Fed") easing amid global growth concerns. The Fed lowered rates in July; Mexico followed with its first interest rate cut in five years and the government planned to inject US$25.5 billion in stimulus via infrastructure projects and the private-sector. Brazil, Peru and Chile also cut rates amid benign inflation, to boost their weakening economies.

Results and Dividends

The Company's NAV total return was 22.4% for the year ended 31 August 2019, ahead of the 17.4% return of the composite benchmark. On a total return basis, the Ordinary share price rose by 19.9% to 69.2p with the level of discount to NAV per share moving from 13.6% to 16.0% at the year end.

The earnings per Ordinary share for the year ended 31 August 2019 were 4.3p (2017: 3.8p). The Company has maintained four interim dividends of 0.875p per Ordinary share in respect of the year bringing the total level of dividends for the year to 3.5p (2018: 3.5p). Allowing for the payment of the four dividends £454,000 has been transferred to the carried forward revenue reserve. The Company has no current plans to alter the level of the dividends payable to shareholders.

As previously indicated, the Board is pleased to have secured agreement from the Manager to ensure that the Company's ongoing charges ratio ("OCR") will not exceed 2.0% when calculated annually as at 31 August. Until further notice, to the extent that the OCR exceeds 2.0% the Manager continues to rebate part of its fees in order to bring that ratio down to 2.0%. Subsequent to the year end a sum of £49,046 has been repaid by the Manager in order to maintain the OCR at 2.0% for the year just ended.

Portfolio

During the year the allocation between equities and bonds was further adjusted with the portfolio composition being 59.1% equities and 40.9% bonds at the period end, as the Investment Manager continued to seek to exploit market opportunities (2018: 52.5% equities 47.5% bonds). The Board and Manager will continue to keep the split under regular review.

Share Capital Management

During the year the Company purchased 2,175,000 Ordinary shares for cancellation at a total consideration of £1.5 million, all at a discount to the NAV per share; resulting in an enhancement of 0.46% in NAV per share. Market volatility continues to impede our ability to have a meaningful impact on the discount through the purchase of the Ordinary shares in the market and over this period the discount to NAV widened from 13.6% to 16.0%. Subsequent to the year end a further 290,000 Ordinary shares have been purchased for cancellation. The Board will continue to make selective use of share buybacks, subject to prevailing market conditions and where to do so would be in Shareholders' interests. At the time of writing the Ordinary shares were trading at a discount of 11.50%.

Change of Management Entity and Company Secretary

On 30 September 2019, subsequent to the financial year end, the Company announced that APWML, the Company's Manager and Company Secretary, had merged with ASCIL, by way of the merger process set out in the Companies (Jersey) Law 1991. Following the merger, ASCIL is the single ongoing entity and the new contracting party to all of APWML's previous agreements.

As a result of the merger, ASCIL became the Company's Manager and Company Secretary with effect from 30 September 2019, on identical terms to the arrangements previously in place with APWML. ASCIL is a wholly owned subsidiary of Standard Life Aberdeen PLC.

The investment management of the Company continues to be delegated from ASCIL to AAML and the changes have no impact upon shareholders.

Gearing

The level of drawings under the Company's three year £8 million multi-currency revolving facility agreement with Scotiabank (Ireland) Designated Activity Company was reduced to £6.0 million from £6.5m in August 2019, representing net gearing of 11.4% at the year end. The Board will continue to monitor the level of gearing under recommendation from the Investment Manager and in the light of market conditions.

Annual General Meeting

The AGM will be held at 10.00 a.m. on Wednesday, 11 December 2019 at the Company's registered office, Sir Walter Raleigh House, 48 – 50 Esplanade, St Helier, Jersey JE2 3QB and I look forward to meeting Shareholders on the day.

We are proposing to renew the Company's authority to buy back Ordinary shares subject to the Financial Conduct Authority ("FCA") Listing Rules and Jersey law and any purchases will be at the absolute discretion of the Directors. We are also seeking to renew the authority to issue new Ordinary shares equivalent to up to 10% of the Company's existing Ordinary share capital at the AGM. Ordinary shares will only ever be issued at a premium to NAV per Ordinary share and will therefore be accretive and not disadvantageous to Ordinary Shareholders.

Directorate

During the year the Nomination Committee conducted a search for a new independent non-executive Director using the services of an independent recruitment consultant and I am pleased to report that Ms Heather MacCallum joined the Board on 24 April 2019. Heather was previously a partner with KPMG LLP and has extensive financial services and investment company experience.

In accordance with the Board's on-going succession planning, and following the retirement of Martin Adams on 13 December 2018, George Baird has indicated that he intends to retire from the Board at the conclusion of the AGM to be held on 11 December 2019. I would like to take this opportunity personally, and on behalf of my fellow Directors, to thank George for his significant contribution as a Director since the launch of the Company in 2010 and as Audit Committee Chairman since 2015. Following the conclusion of the AGM, Heather will assume the role of Audit Committee Chair.

Outlook

I remain optimistic about the outlook for Latin American equities amid encouraging regional developments.

Chairman's Statement continued

Mexico was the first country to ratify the USMCA trade agreement - its final approval by the US and Canada could boost sentiment. Moreover, investors remain optimistic that Brazil's pension reform bill will be approved. President Jair Bolsonaro's administration has shown resolve in pushing for fiscal and structural changes. Such reforms, along with lower interest rates, are expected to attract investments and create jobs, which should fuel the economy.

However, there is some room for caution amid weak global economic conditions and the ongoing trade war. As such, lower demand globally could also result in a further decline in commodity prices. In Mexico, investors remain watchful over political developments with particular focus on the current administration's economic policies, and its stance towards the private sector. Meanwhile, Argentina's outlook remains uncertain as it focuses on stabilising the exchange rate and reducing inflation, while restructuring its debt.

Despite the challenges, I am confident that your Manager's investment approach and on-the-ground presence should aid selection of high-quality investments with strong pricing power and solid fundamentals. These investments are less exposed to risks and tap into the more resilient segments of the economy. Our aim is to invest in companies which will deliver robust, risk-adjusted returns over the long-term. Your Manager will continue to take advantage of market weakness to add to high-conviction holdings or introduce new names at attractive valuations.

Richard Prosser
Chairman
6 November 2019

Strategic Report

The Company is a Jersey-incorporated, closed-ended investment company and its shares are traded on the main market of the London Stock Exchange ("LSE"). It is registered with limited liability in Jersey as a closed-ended investment company under the Companies (Jersey) Law 1991 with registered number 106012. In addition, the Company is constituted and regulated as a collective investment fund under the Collective Investments Funds (Jersey) Law 1988.

2010

The Company was launched on 16 August 2010

The Octavio Frias De Oliveira bridge is a reinforced concrete, cable-stayed bridge situated in the heart of Sao Paulo, Brazil. It provides an important road connection in the city and aims to reduce traffic congestion.

Overview of Strategy

Business Model

The Company aims to provide private and institutional investors with exposure to the above average long-term capital growth prospects of Latin America combined with an attractive yield.

The business of the Company is that of an investment company and the Directors do not envisage any change in this activity in the foreseeable future.

Investment Policy and Approach

The Company invests in:

- companies listed on stock exchanges in the Latin American region;
- Latin American securities (such as ADRs and GDRs) listed on international stock exchanges;
- companies listed on international exchanges that derive significant revenues or profits from the Latin American region; and
- debt issued by governments and companies in the Latin American region.

The Company has a diversified portfolio consisting primarily of equities, equity-related and fixed income investments, with at least 25% of its gross assets invested in equity and equity-related investments and at least 25% of its gross assets invested in fixed income investments. The Company's investment policy is flexible, enabling it to invest in all types of securities, including (but not limited to) equities, preference shares, debt, convertible securities, warrants, depositary receipts and other equity-related securities.

Whilst the Board has provided the Investment Manager with broad investment guidelines in order to ensure a spread of risk, the Company's portfolio is not managed by reference to any benchmark and, therefore, the composition of its portfolio is not restricted by minimum or maximum country, market capitalisation or sector weightings.

The Company may invest, where appropriate, in open-ended collective investment schemes and closed-ended funds that invest in the Latin American region.

Derivative investments may be used for efficient portfolio management and hedging and may also be used in order to achieve the investment objective and to enhance portfolio performance. The Company may purchase and sell derivative investments such as exchange-listed and over-the-counter put and call options on currencies, securities, fixed income, currency and interest rate indices and other financial instruments, purchase and sell financial futures contracts and options thereon and enter into various interest rate and currency transactions such as swaps, caps, floors or collars or credit transactions and credit derivative instruments. The Company may also purchase derivative instruments that combine features of these instruments. The Manager employs a risk management process to oversee and manage the Company's exposure to derivatives. The Manager may use one or more separate counterparties to undertake derivative transactions on behalf of the Company, and may be required to pledge collateral in order to secure the Company's obligations under such contracts. The Manager will assess on a continuing basis the creditworthiness of counterparties as part of its risk management process.

The Company may underwrite or sub-underwrite any issue or offer for sale of investments.

The Board considers that returns to Ordinary Shareholders can be enhanced by the judicious use of borrowing. The Board is responsible for the level of gearing in the Company and reviews the position on a regular basis. Pursuant to the level of gearing set by the Board, the Company may borrow up to an amount equal to 20% of its net assets calculated at the time of drawing. The Company will not have any fixed, long-term borrowings.

The Company may also use derivative instruments for gearing purposes, in which case the investment restrictions will be calculated on the basis that the Company has acquired the securities to which the derivatives are providing exposure.

The Company will normally be fully invested. However, during periods in which economic conditions or other factors warrant, the Company may reduce its exposure to securities and increase its position in cash and money market instruments.

The Company invests and manages its assets, including its exposure to derivatives, with the objective of spreading risk in line with the Company's investment policy.

The Company may only make material changes to its investment policy (including the level of gearing set by the Board) with the approval of Ordinary Shareholders (in the form of an ordinary resolution).

Investment Restrictions

The minimum and maximum percentage limits set out under "Investment Policy and Approach" and "Investment Restrictions" will only be applied at the time of the relevant acquisition, trade or borrowing. No more than

15% of the Company's or the Subsidiary's gross assets will be invested in any one company.

The Company will not invest more than 10%, in aggregate, of the value of its gross assets in other investment companies admitted to the Official List of the Financial Conduct Authority, provided that this restriction does not apply to investments in any such investment companies which themselves have stated investment policies to invest no more than 15% of their gross assets in other listed investment companies admitted to the Official List of the Financial Conduct Authority.

The Company may invest up to 25% of its gross assets in non-investment grade government debt issues (being debt issues rated BB+/Ba1 or lower).

The Company's aggregate gross exposure to derivative instruments will not exceed 50% of its gross assets.

The Company will not acquire securities that are unlisted or unquoted at the time of investment (with the exception of securities which are about to be listed or traded on a stock exchange). However, the Company may continue to hold securities that cease to be listed or quoted if the Investment Manager considers this to be appropriate.

No underwriting or sub-underwriting commitment will be entered into if the aggregate of such investments would exceed 10% of the Company's net assets and no such individual investment would exceed 5% of the Company's net assets.

The Board has adopted a policy that the value of the Company's borrowings or derivatives (but excluding collateral held in respect of any such derivatives) will not exceed 30% the Company's net assets.

Duration

The Company does not have a fixed life or continuation vote.

Benchmark

The Company measures its performance against a composite benchmark index weighted as to 60% MSCI EM Latin America 10/40 Index and 40% JP Morgan GBI-EM Global Diversified (Latin America Carve Out) (both in sterling terms) (the "Benchmark"). The Company does not seek to replicate the Benchmark index in constructing its portfolio and the portfolio is not managed by reference to any index. It is likely, therefore, that there will be periods when the Company's performance will be uncorrelated to any index or benchmark.

Key Performance Indicators ("KPIs")

The Board uses a number of financial performance measures to assess the Company's success in achieving its objective and determine the progress of the Company in pursuing its investment policy. The main KPIs identified by the Board in relation to the Company which are considered at each Board meeting are as follows:

KPI	Description
Net Asset Value ("NAV") Total Return Performance versus Benchmark Index Total Return	The Board considers the Company's NAV total return figures versus the Benchmark to be the best indicator of performance over time and is therefore the main indicator of performance used by the Board. The figures for this year, three years, five years and since launch are set out on page 13.
Share Price Discount/ Premium to NAV per Ordinary Share	The discount/premium relative to the NAV per share represented by the share price is closely monitored by the Board. The objective is to avoid large fluctuations in the discount relative to similar investment companies investing in the region by the use of share buy backs subject to market conditions. A graph showing the share price discount/premium relative to the NAV is shown on page 15.
Ordinary Share Price Total Return Performance	The Board also monitors the price at which the Company's shares trade relative to the Benchmark on a total return basis over time. A graph showing the total NAV return and the share price performance against the comparative index is shown on page 15.
Dividends per Ordinary Share	The Board's aim is to provide shareholders with an attractive yield. Dividends paid in 2018 and 2019 are set out on page 14.

Further commentary on the Company's performance is contained in the Chairman's Statement and Investment Manager's Review and further explanation of the terms is provided in the Glossary on pages 83 to 85.

Overview of Strategy continued

Principal Risks and Uncertainties

There are a number of risks which, if realised, could have a material adverse effect on the Company and its financial condition, performance and prospects. The Board has carried out a robust assessment of these risks and uncertainties facing the Company at the current time in the table below together with a description of the mitigating actions taken by the Board. The principal risks associated with an investment in the Company's shares are published monthly on the Company's factsheet or they can be found in the Pre-Investment Disclosure Document published by the Manager, both of which are on the Company's website. The Board reviews the risks and uncertainties faced by the Company in the form of a risk matrix and heat map annually and a summary of the principal risks are set out below.

An explanation of other risks relating to the Company's investment activities, specifically market risk including interest rate risk, foreign currency risk and other price risk, liquidity risk, credit risk, gearing risk and a note of how these risks are managed, is contained in note 15 to the financial statements on pages 64 to 73.

Description	Mitigating Action
Investment strategy and objectives – the setting of an unattractive strategic proposition for the Company and the failure to adapt to changes in investor demand may lead to the Company becoming unattractive to investors, a decreased demand for Ordinary shares and a widening discount at which the Ordinary shares trade relative to their NAV.	The Board keeps the level of discount at which the Company's Ordinary shares trade as well as the investment objective and policy under review and the Board is updated at each Board meeting on the make up of and any movements in the Shareholder register.
Investment portfolio, investment management – investing outside of the investment restrictions and guidelines set by the Board could result in poor performance and inability to meet the Company's objectives.	The Board sets, and monitors, its investment restrictions and guidelines, and receives regular reports which include performance reporting on the implementation of the investment policy, the investment process and application of the guidelines.
Financial obligations – the ability of the Company to meet its financial obligations, or increasing the level of gearing, could result in the Company becoming over-geared and therefore unable to take advantage of potential opportunities and result in a loss of value of the Company's Shares.	The Board sets a gearing limit to ensure that covenant restrictions in the Company's loan facility are not breached and the Board receives regular updates on the actual gearing levels the Company has reached from the Investment Manager together with the assets and liabilities of the Company and reviews these at each Board meeting.
Financial and regulatory – the financial risks associated with the portfolio could result in losses to the Company. In addition, failure to comply with relevant regulation (including the Companies (Jersey) Law, the Financial Services and Markets Act, the Alternative Investment Fund Managers Directive, Accounting Standards and the FCA's Listing Rules, Disclosure Guidance and Transparency Rules, and Prospectus Rules) may have a negative impact on the Company.	The financial risks associated with the Company include market risk, liquidity risk and credit risk, all of which are managed by the Investment Manager. Further details of the steps taken to mitigate the financial risks associated with the portfolio are set out in note 15 to the financial statements. The Board relies upon Aberdeen Standard Investments to ensure the Company's compliance with applicable regulations and from time to time employs external advisers to advise on specific matters.
Operational – the Company is dependent on third parties for the provision of all systems and services (in particular, those of the Manager) and any control failures and gaps in these systems and services could result in a loss or damage to the Company.	The Board receives reports from the Manager on internal controls and risk management at each Board meeting and receives assurances from its significant service providers. Further details of the internal controls which are in place are set out in the Directors' Report on page 30.
Income and dividend risk - there is a risk that the portfolio could fail to generate sufficient income to meet the level of the annual dividend drawing upon, rather than replenishing, its revenue and/or capital reserves.	The Board monitors this risk through the review of income forecasts, provided by the Manager, at each Board meeting.

The Board has also considered the outcome and potential impact on the Company of the UK General Election scheduled to take place on 12 December 2019 and the resulting impact on the UK Government's Brexit discussions with the European Union. The outcome and potential impact of Brexit are still relatively unclear at the time of writing, and this remains an increased risk for the Company. In particular currency volatility may adversely affect the translation rates of future earnings from the portfolio. Note 15(c) to the financial statements sets out the Company's currency risk disclosures.

Viability Statement

The Company does not have a formal fixed period strategic plan but the Board formally considers risks and strategy at least annually. The Board considers the Company, with no fixed life, to be a long term investment vehicle, but for the purposes of this viability statement has decided that a period of three years is an appropriate period over which to report. The Board considers that this period reflects a balance between looking out over a long term horizon and the inherent uncertainties of looking out further than three years.

In assessing the viability of the Company over the review period the Directors have carried out a robust assessment of the principal risks detailed in the Strategic Report focussing upon the following factors:

- The ongoing relevance of the Company's investment objective in the current environment;
- The demand for the Company's shares evidenced by the historical level of premium and or discount;
- The level of income generated by the Company;
- The liquidity of the Company's portfolio; and,
- The flexibility of the Company's multi-currency loan facility which matures in August 2020 including the financial covenants of the loans. The Directors will aim to agree a new facility upon the expiry of the current one in 2020 and in the event that satisfactory renewal terms are not available at that time the facility will be repaid from portfolio sales.

Accordingly, taking into account the Company's current position, the fact that Aberdeen Standard Investments has agreed to reduce the fees payable to the Manager to the extent necessary to ensure that the Ongoing Charges Ratio does not exceed 2.0%, the fact that the Company's investments are mostly liquid and the potential impact of its principal risks and uncertainties, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due for a period of three years from the date of this Report. In making this assessment, the Board has considered that matters such as significant economic or stock market volatility, significant discount to NAV, a substantial reduction in the liquidity of the portfolio, or changes in investor sentiment could have an impact on its assessment of the Company's prospects and viability in the future.

Promoting the Company

The Board recognises the importance of promoting the Company to prospective investors both for improving liquidity and enhancing the value and rating of the Company's shares. The Board believes an effective way to achieve this is through subscription to and participation in the promotional programme run by Aberdeen Standard Investments on behalf of a number of investment companies under its management. The Company's financial contribution to the programme is matched by Aberdeen Standard Investments. Aberdeen Standard Investment's promotional team reports quarterly to the Board giving analysis of the promotional activities as well as updates on the shareholder register and any changes in the make-up of that register.

The purpose of the programme is both to communicate effectively with existing shareholders and to gain new shareholders with the aim of improving liquidity and enhancing the value and rating of the Company's shares. Communicating the long-term attractions of your Company is key and therefore the Company also supports the Aberdeen Standard Investments investor relations programme which involves regional roadshows, promotional and public relations campaigns.

Board Diversity

The Board recognises the importance of having a range of skilled, experienced individuals with the right knowledge represented on the Board in order to allow the Board to fulfil its obligations. The Board also recognises the benefits and is supportive of the principle of diversity in its recruitment of new Board members. The Board will not display any bias for age, gender, race, sexual orientation, religion, ethnic or national origins, or disability in considering the appointment of its Directors. However, the Board will continue to ensure that all appointments are made on the basis of merit against the specification prepared for each appointment and, therefore, the Company does not consider it appropriate to set diversity targets. At 31 August 2019, there was an equal number of male and female Directors on the Board.

Environmental, Social and Human Rights Issues

The Company has no employees as it is managed by APWML (merged into ASCIL with effect from 30 September 2019) and ordinarily all activities are contracted out to third party service providers. There are therefore no disclosures to be made in respect of employees. The Company's socially responsible investment policy is outlined on page 33.

Due to the nature of the Company's business, being a company that does not offer goods and services to customers, the Board considers that it is not within the scope of the Modern Slavery Act 2015 because it has no turnover. The Company is therefore not required to make a slavery and human trafficking statement. In any event, the Board considers the Company's supply chains, dealing predominantly with professional advisers and service providers in the financial services industry, to be low risk in relation to this matter. Furthermore the Company's Manager has confirmed that it complies with the 2015 Modern Slavery Act.

The Company has no greenhouse gas emissions to report from the operations of its business, nor does it have responsibility for any other emissions producing sources.

Future

Many of the non-performance related trends likely to affect the Company in the future are common across all closed ended investment companies, such as the attractiveness of investment companies as investment vehicles and the impact of regulatory changes. These factors need to be viewed alongside the outlook for the Company, both generally and specifically, in relation to the portfolio. The Board's views on the general outlook for the Company can be found in the Chairman's Statement on pages 5 and 6 whilst the Investment Manager's views on the outlook for the portfolio are included on page 17.

For and on behalf of the Board

Richard Prosser

Chairman
6 November 2019

Results

Financial Highlights

	31 August 2019	31 August 2018	% change
Total assets (see definition on page 85) (£'000)	53,755	48,825	10.1
Total equity shareholders' funds (net assets) (£'000)	47,755	42,325	12.8
Market capitalisation (£'000)	40,136	36,587	9.7
Ordinary share price (mid market)	69.20p	60.80p	13.8
Net asset value per Ordinary share	82.34p	70.34p	17.1
Discount to net asset value per Ordinary share[AB]	15.95%	13.56%	
Net gearing (see definition on page 87)[AB]	11.41%	14.17%	
Dividends and earnings			
Total return/(loss) per Ordinary share	15.20p	(16.84)p	
Earnings per Ordinary share (revenue)	4.27p	3.78p	13.0
Dividends per Ordinary share	3.50p	3.50p	
Dividend cover[AB]	1.22 times	1.08 times	
Revenue reserves[B] (£'000)	2,704	2,250	
Operating costs			
Ongoing charges ratio[ABC]	2.00%	2.00%	

[A] Considered to be an Alternative Performance Measure. Further details can be found on pages 86 and 87.
[B] Excludes payment of fourth interim dividend of 0.875p (2018 – 0.875p) per Ordinary share equating to £507,000 (2018- £526,000).
[C] Details of a cap on the ongoing charges ratio can be found in notes 6 and 17 to the financial statements on pages 61 and 73 respectively.

Performance (total return)

	1 year % return	3 year % return	5 year % return	Since launch[A] % return
Ordinary share price[B]	+19.90%	+20.93%	+11.93%	+9.40%
Net asset value[B]	+22.38%	+24.35%	+14.89%	+26.57%
Benchmark	+17.44%	+26.92%	+19.38%	+29.60%

Total return represents the capital return plus dividends reinvested.

[A] Launch date 16 August 2010.
[B] Considered to be an Alternative Performance Measure. Further details can be found on page 86.

Dividends

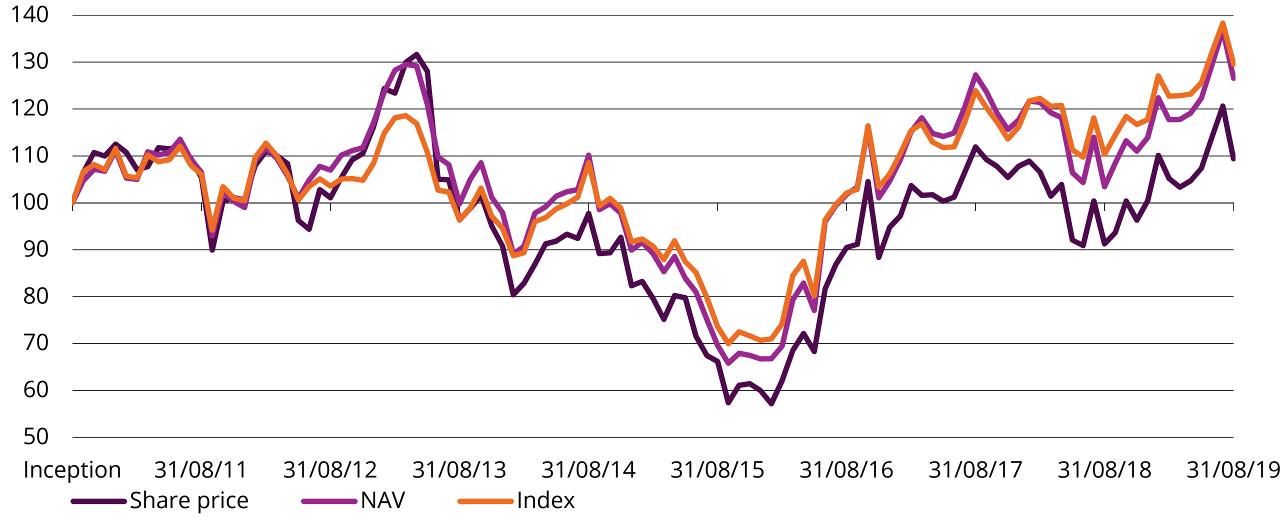
	Rate	xd date	Record date	Payment date
1st interim 2019	0.875p	20 December 2018	21 December 2018	29 January 2019
2nd interim 2019	0.875p	2 May 2019	3 May 2019	17 May 2019
3rd interim 2019	0.875p	4 July 2019	5 July 2019	26 July 2019
4th interim 2019	0.875p	26 September 2019	27 September 2019	25 October 2019
Total dividends 2019	**3.500p**			

	Rate	xd date	Record date	Payment date
1st interim 2018	0.875p	14 December 2017	15 December 2017	30 January 2018
2nd interim 2018	0.875p	26 April 2018	27 April 2018	11 May 2018
3rd interim 2018	0.875p	12 July 2018	13 July 2018	27 July 2018
4th interim 2018	0.875p	4 October 2018	5 October 2018	26 October 2018
Total dividends 2018	**3.500p**			

Performance

Total Return of NAV and Share Price vs Composite MSCI EM Latin America 10/40 Index / JP Morgan GBI-EM Global Diversified Index (Latin America carve out) (sterling adjusted)

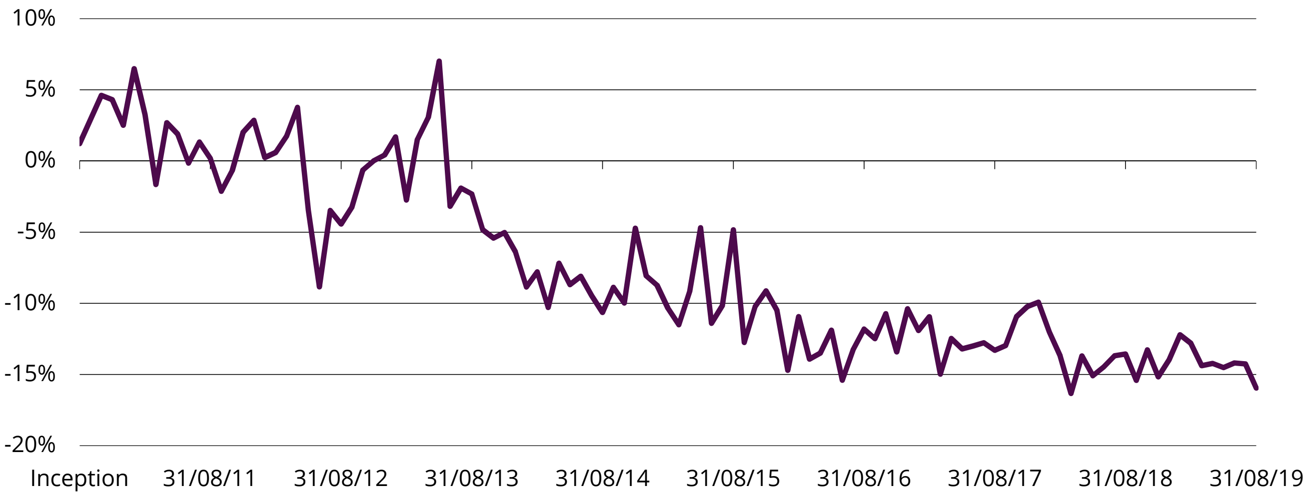
Launch (16 August 2010) to 31 August 2019 (rebased to 100 at 16 August 2010)



Source: Aberdeen Standard Investments, Morningstar, Lipper & JP Morgan

Ordinary Share Price Discount/Premium to NAV

Launch (16 August 2010) to 31 August 2019



Source: Aberdeen Standard Investments & Morningstar

Ten Year Financial Record

Year to 31 August	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total revenue (£'000)	3,378	3,178	3,914	3,600	3,170	3,544	3,772	3,095	3,230
Per Ordinary share (p)									
Net revenue return	4.82	4.00	4.43	4.11	3.85	4.60	4.77	3.78	4.27
Total return	6.44	0.18	(6.06)	8.65	(33.22)	24.04	18.00	(16.84)	15.20
Net dividends payable	4.25	4.25	4.25	4.25	4.25	3.50	3.50	3.50	3.50
Net asset value per Ordinary share (p)									
Basic & diluted	102.31	98.35	88.04	92.60	55.17	75.54	90.40	70.34	82.34
Equity shareholders' funds (£'000)	53,309	65,475	58,610	60,729	35,872	48,463	56,170	42,325	47,755

Investment Manager's Review

Performance Commentary

Latin American stock markets were choppy during the year under review, but outperformed other emerging markets in sterling terms. On the global front, investors remained cautious as US-China trade tensions continued, with both countries imposing tit-for-tat tariffs. However, the key events that shaped the market came from within the region. The election of far-right presidential candidate Jair Bolsonaro, and his plans to reform the Brazilian pension system and cut public debt, lifted equity market sentiment. Meanwhile, Mexican shares fell with business and consumer confidence hampered by mixed signals from the AMLO administration, added to a dismal economic outlook. Elsewhere, Argentine equities and the Peso sold off near the end of the period after left-wing presidential candidate Alberto Fernandez won a resounding victory over business-friendly incumbent Mauricio Macri in the primary vote.

Against this backdrop, your Company's equity portfolio advanced by 24.25% in sterling terms, ahead of the benchmark MSCI Emerging Markets Latin America 10/40 Index's 16.67% gain.

Latin American fixed income markets had a strong performance in the year under review, as both international and domestic factors supported the decline in bond yields across the region. Sluggish global growth, the absence of inflationary pressures and the U-turn in US monetary policy at the end of last calendar year increased the attractiveness of fixed income investments. Political risks moderated as the new administrations took office in Brazil and Mexico. Although Mexican President AMLO started his term with market-unfriendly decisions, his commitment to maintaining fiscal discipline dissipated some of the market's worst fears. Most regional currencies stabilised following the sell-off in the first half of 2018, and modestly appreciated against sterling over the review period.

Against this backdrop, your Company's bond portfolio advanced by 18.51% in sterling terms, slightly ahead of the benchmark JBI-EM GD Latin America Index's 18.13% gain.

The selection of holdings in Brazil and Mexico bolstered equity performance. At the stock level, the main contributors were fashion **retailer Lojas Renner, Localiza Rent A Car,** integrated healthcare service provider **Notre Dame Intermedica**, real estate firm **Multiplan** and software company **TOTVS** amid improved sentiment in Brazil and solid results. Software provider **Linx** also did well as it revealed the launch of its payment business. The lack of exposure to cement maker **Cemex** and media firm **Grupo Televisa** contributed to relative performance, given downward earnings revisions for the former and pressured advertising revenues for the latter. Not holding **America Movil** also helped as the telecommunications firm lagged the local index in Mexico.

On the flip side, your portfolio's lack of exposure to **JBS** capped gains as the Brazilian protein processor's shares climbed due to the swine flu crisis in China. This was partially mitigated by holding shares in **BRF** which benefited from the same trend. Not holding lender **Banco do Brasil** and utilities firm **Electrobras** held back returns, as both companies rallied on optimism over newly-elected president Bolsonaro's economic reform plans. Our slight underweight in **Petrobras** also limited performance as it outperformed on the new administration's plan to maximise returns to shareholders, and also reflecting an improved operating environment for the state-owned oil major. In addition, the outlook for airport operators **ASUR** and **OMA** deteriorated on concerns around regulatory risks under the AMLO government in Mexico, while steel pipe maker **Tenaris'** shares fell amid volatile oil prices. Argentina's **BBVA Banco Frances** was impacted following a market selloff on Fernandez's win over Macri by a wide margin at the primary polls.

Brazil was the best performer within fixed income markets, as the new legislature moved closer to adopting the much needed social security reform, while below-target inflation allowed the central bank to restart its rate cutting cycle in July 2019 after a prolonged pause. Similarly, monetary policy easing supported strong performance in the Chilean and Peruvian bond markets. The worst performer by a significant margin was Argentina, which saw a 40% depreciation of its exchange rate against sterling. The weakness of the economy aggravated the fiscal troubles, while the central bank struggled to rein in rampant inflation. Argentina's difficulties had little impact on the rest of the region with the sole exception of Uruguay, where contagion from its neighbour weighed on currency.

Our long duration and currency overweight positions in Brazil provided the largest positive contribution to performance over the review period, followed by the underweight exposure to Colombia. Despite the large sell-off in Argentina, our overweight allocation there had a positive contribution, as our exposure was concentrated in short-dated policy-rate-linked bonds, which have outperformed conventional bonds. The largest drag on performance was our overweight exposure to Uruguay, but the lack of exposure to Chile also detracted from relative performance.

Portfolio Activity

During the period, we made several changes to the equity holdings within your portfolio. Notably, we exited Brazilian security printing services firm **Valid** after a rebound in its share price, as well as clothing firm **Hering** and lender **Bancolombia** on our lower conviction and their relative outperformance. The proceeds were subsequently reinvested in other high-conviction names. We also sold shopping mall operator **Iguatemi** to fund better opportunities elsewhere. Your portfolio now includes **Petrobras, Notre Dame Intermedica, Rumo** and **Geopark**. We see an improved business outlook as well as attractive valuations for Brazil's state-owned oil major Petrobras. **Notre Dame** is one of Brazil's biggest healthcare operators. We took advantage of the discount on its follow-on offer to invest in the firm. **Rumo** is Brazil's leading railway operator. We added the company based on our conviction to its long-term growth prospects. Meanwhile, **Geopark** is a regional oil-and-gas firm with a solid exploration and production track record, and attractive valuation.

From a fixed income perspective, we increased our overweight exposure in Brazil, during the period favouring the longer end of the government yield curve. However, towards the end of the period we hedged part of the Real exposure as currency valuation became stretched. In Mexico we rotated our bond position to increase our active duration positions, anticipating a rate cutting cycle on the back of weak economic activity, but took a cautious stance on the currency given the elevated level of policy unpredictability. We have cut our duration exposure in Colombia expecting the central bank to remain behind the curve. We also significantly reduced our exposure to Argentina in the run-up to the 2019 August primary elections.

Outlook

Latin America has proven its resilience in the face of global and domestic shocks. We expect this resilience to persist despite anticipating lingering concerns over the US-China trade dispute and its impact on global economic growth. Argentina will face a challenging political transition with a possible debt restructuring, generating a lot of headline noise, but contagion to the rest of the region should be negligible, just as has been the case with Venezuela. We expect global monetary policy to remain accommodative in the coming quarters, providing support and fostering demand for higher risk assets, while regional central banks will also support their economies through lower interest rates. Local politics, reform and infrastructure developments, particularly in Brazil and Mexico, will be important in driving equity investor sentiment. This could have an effect on corporate earnings and share prices. In the longer term, population growth and an expanding middle class should keep the outlook positive for Latin American economies. Most companies, in particular financials and consumer-focused companies, will in turn benefit from this momentum. Moreover, valuations remain attractive relative to their global peers.

In such an environment, we are optimistic about your Company's outlook. We are focused on selecting stocks that can benefit from stable growth, healthy consumption and structural improvements. This along with their healthy balance sheets and sound leadership provide us with added confidence. We continue to engage with companies' management to ensure that their goals are aligned with that of the shareholders', and remain diligent in our efforts to boost shareholder returns. At the same time, we will look out for other quality companies that can take advantage of new growth opportunities, to ensure that the portfolio remains well-positioned for the future.

Aberdeen Asset Managers Limited
6 November 2019

Portfolio

For the Investment Manager a benchmark is for measurement not a portfolio construction tool. Aberdeen Standard Investments are buy-and-hold investors meaning in theory a good company is one they may hold forever. They invest in companies that they believe they understand and can value. Companies in the portfolio are held for the long term; for example, the average holding period is eight years. The investment style is characterised by fundamental, first hand research, patience in taking time to build positions and a commitment to engage companies, which as active shareholders is a normal part of their relationship with investee companies.

Wilson, Sons

Tecon Rio Grande is one of the largest container terminals in Brazil.

Wilson, Sons is one of the largest port, maritime and logistics operators in Brazil offering specialised solutions in the areas of port terminals, maritime towage, offshore support vessels, logistics, shipyards, and shipping agency. The company maintains long-lasting relationships with over two thousand active clients including shipping companies, importers, exporters, oil and gas companies as well as other participants in more diverse sectors of the Brazilian economy.

Portfolio

Ten Largest Investments

As at 31 August 2019

Company	Sector	Country	Valuation 2019 £'000	Total assets %[A]	Valuation 2018 £'000
Banco Bradesco [B] A leading privately-owned Brazilian bank with a well-recognised brand, robust loan portfolio and experienced management team.	Financials	Brazil	2,779	5.2	1,871
Petrobras[C] Brazilian state owned oil & gas company primarily engaged in exploration and production, refining, energy generation, trading and distribution of oil products.	Energy	Brazil	2,432	4.5	–
Itau Unibanco Holdings [B] Brazil's largest privately-owned bank, it is well-capitalised with sound growth prospects and asset quality.	Financials	Brazil	2,201	4.1	1,946
Grupo Financiero Banorte Mexico's leading privately-owned bank with a well-recognised nationwide brand, sizeable pension business and proven track record in conservative lending.	Financials	Mexico	1,518	2.8	1,353
Fomento Economico Mexicano ADR FEMSA participates in beverages through Coca-Cola FEMSA, the largest Coca-Cola bottler globally. The company also participates in small-format convenience stores, gas stations and pharmacies through FEMSA Comercio.	Consumer Staples	Mexico	1,353	2.5	1,254
Lojas Renner[C] One of Brazil's largest clothing retailers with a complementary financing arm catering to customers' store credit needs. More recently Lojas Renner has ventured into neighbouring Uruguay and launched a home furnishing brand by the name of Camicado.	Consumer Discretionary	Brazil	1,302	2.4	1,061
Bradespar[C] A holding company where the single underlying asset is Brazil's iron ore producer Vale.	Materials	Brazil	1,218	2.3	1,108
B3 Brasil Bolsa Balco[C] B3 is a vertically integrated stock exchange provider of securities, commodities and futures trading services along with depository and registration for fixed income securities and clearinghouse for private assets in Brazil.	Financials	Brazil	1,161	2.2	680
Grupo Aeroportuario Sureste ADR One of Mexico's leading airport operators, responsible for running Cancun airport amongst a number of others in Mexico. The company also operates airports in Puerto Rico and more recently Colombia.	Industrials	Mexico	1,061	2.0	1,372
Wal-Mart De Mexico The largest food and general retailer in Mexico with an established presence across a number of smaller Central American markets.	Consumer Staples	Mexico	956	1.8	1,063
Top ten equity investments			**15,981**	**29.8**	

[A] See definition on page 85.
[B] Holding includes investment in equity and ADR
[C] Held in Subsidiary.

Portfolio investments reflect consolidated investee holdings of the Company and its Subsidiary.

Portfolio

Other Investments

As at 31 August 2019

Company	Sector	Country	Valuation 2019 £'000	Total assets %[A]	Valuation 2018 £'000
Vale ADR	Materials	Brazil	913	1.7	867
Ambev[B]	Consumer Staples	Brazil	895	1.7	1,045
Multiplan Empreendimentos NPB[B]	Real Estate	Brazil	884	1.6	821
Localiza Rent A Car[B]	Industrials	Brazil	864	1.6	436
Arca Continental	Consumer Staples	Mexico	783	1.5	685
BRFB[C]	Consumer Staples	Brazil	733	1.4	493
Arezzo Industria e Comercio[B]	Consumer Discretionary	Brazil	648	1.2	486
Itausa Investimentos Itau[B]	Financials	Brazil	569	1.1	255
Rumo[B]	Consumer Discretionary	Brazil	559	1.0	–
WEG[B]	Industrials	Brazil	558	1.0	437
Top twenty equity investments			**23,387**	**43.6**	
Banco Santander-Chile ADR	Financials	Chile	516	1.0	509
Parque Arauco[B]	Real Estate	Chile	511	1.0	451
Notredame Intermedica[B]	Health Care	Brazil	488	0.9	–
TOTVS[B]	Information Technology	Brazil	468	0.9	299
Embotelladora Andina 'A' Pref[B]	Consumer Staples	Chile	455	0.8	538
Infraestructura Energetica	Industrials	Mexico	452	0.8	389
Globant	Information Technology	Argentina	445	0.8	354
S.A.C.I Falabella[B]	Consumer Discretionary	Chile	392	0.7	599
Wilson, Sons[B]	Industrials	Brazil	384	0.7	352
Ultrapar Participacoes [C]	Energy	Brazil	380	0.7	612
Top thirty equity investments			**27,878**	**51.9**	
Kimberly-Clark de Mexico	Consumer Staples	Mexico	356	0.7	286
Cementos Pacasmayo	Materials	Peru	347	0.6	351
Geopark	Energy	Chile	332	0.6	–
Linx[B]	Information Technology	Brazil	326	0.6	291
Banco Santander Mexico	Financials	Mexico	313	0.6	–
Raia Drogasil[B]	Consumer Staples	Brazil	313	0.6	290
Odontoprev[B]	Health Care	Brazil	302	0.6	286
Tenaris ADR	Energy	Argentina	262	0.5	239
Hoteles City Express	Consumer Discretionary	Mexico	235	0.4	330
Grupo Aeroportuario Centro Norte	Industrials	Mexico	204	0.4	150
Top forty equity investments			**30,868**	**57.5**	
BBVA Banco Frances	Financials	Argentina	120	0.2	212
Grana Y Montero	Industrials	Peru	119	0.2	143
Grupo Lala	Consumer Staples	Mexico	65	0.1	205
BK Brasil[B]	Consumer Staples	Brazil	30	0.1	–
Fossal	Materials	Peru	2	–	2
Total equity investments			**31,204**	**58.1**	

[A] See definition on page 85.
[B] Held in Subsidiary.
[C] Holding includes investment in equity and ADR

Portfolio investments reflect consolidated investee holdings of the Company and its Subsidiary.

Investment Portfolio – Bonds

As at 31 August 2019

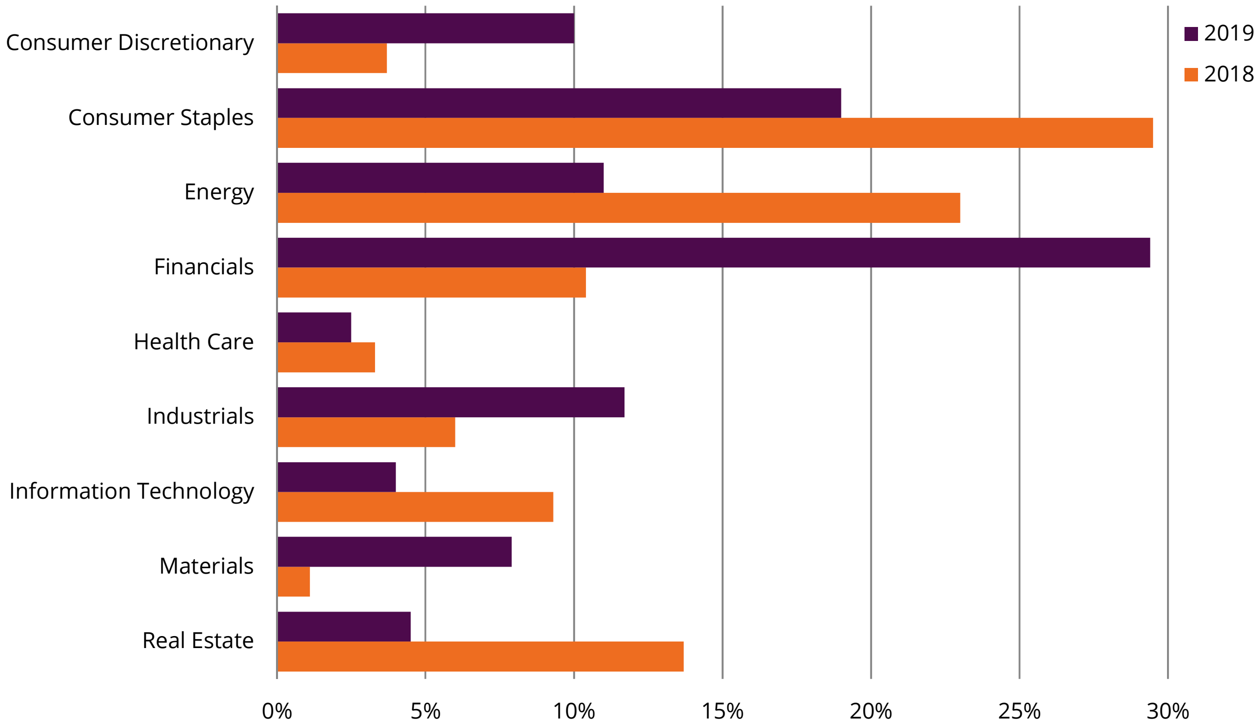
Issue	Sector	Country	Valuation 2019 £'000	Total assets %[A]	Valuation 2018 £'000
Brazil (Fed Rep of) 10% 01/01/25[B]	Government Bonds	Brazil	4,405	8.2	3,735
Brazil (Fed Rep of) 10% 01/01/21[B]	Government Bonds	Brazil	2,671	5.0	2,341
Colombia (Rep of) 9.85% 28/06/27	Government Bonds	Colombia	2,598	4.8	3,554
Mex Bonos Desarr Fix Rt 10% 20/11/36	Government Bonds	Mexico	2,301	4.3	1,533
Mexico (United Mexican States) 8.5% 18/11/38	Government Bonds	Mexico	1,980	3.7	1,899
Uruguay (Rep of) 4.375% 15/12/28	Government Bonds	Uruguay	1,902	3.5	1,695
Peru (Rep of) 6.95% 12/08/31	Government Bonds	Peru	1,405	2.6	1,310
Brazil (Fed Rep of) 10% 01/01/27[B]	Government Bonds	Brazil	1,119	2.1	1,040
Petroleos Mexicanos 7.47% 12/11/26	Government Bonds	Mexico	898	1.7	–
Uruguay (Rep of) 4.25% 05/04/27	Government Bonds	Uruguay	759	1.4	765
Peru (Rep of) 6.95% 12/08/31	Government Bonds	Peru	478	0.9	418
Uruguay (Rep of) 9.875% 20/06/22	Government Bonds	Uruguay	454	0.8	1,367
Mex Bonos Desarr Fix Rt 10% 05/12/24	Government Bonds	Mexico	288	0.5	1,243
Mexico (United Mexican States) 7.75% 13/11/42	Government Bonds	Mexico	150	0.3	138
Petroleos Mexicanos 7.19% 12/09/24	Government Bonds	Mexico	132	0.2	–
Argentina (Rep of) Frn 21/06/20	Government Bonds	Argentina	50	0.1	380
Total value of Bonds			**21,590**	**40.1**	
Total value of equity investments			**31,204**	**58.1**	
Total value of portfolio investments			**52,794**	**98.2**	
Other net assets held in subsidiary			**533**	**1.0**	
Total investments			**53,327**	**99.2**	
Net current assets[C]			**428**	**0.8**	
Total assets[A]			**53,755**	**100.0**	

[A] See definition on page 85.
[B] Held in Subsidiary.
[C] Excluding bank loans of £6,000,000.

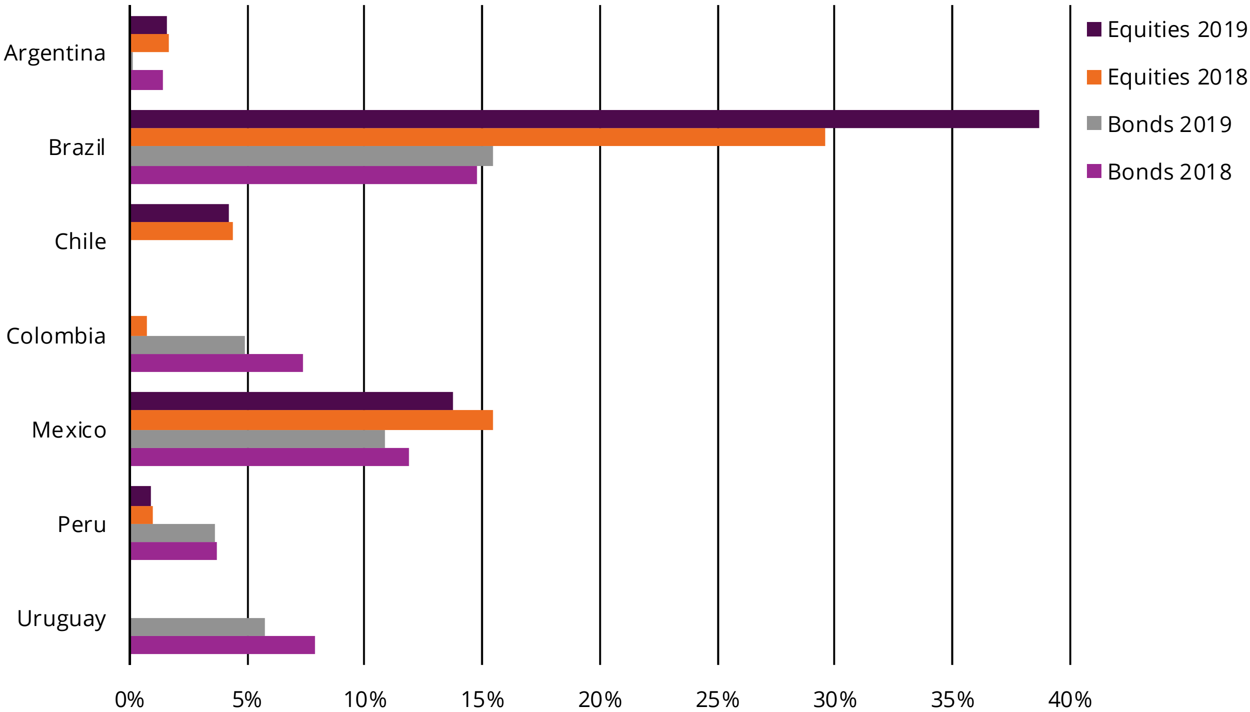
Portfolio investments reflect consolidated investee holdings of the Company and its Subsidiary.

Portfolio
Sector/Geographical Analysis
As at 31 August 2019

Portfolio Sector Breakdown – Equities only

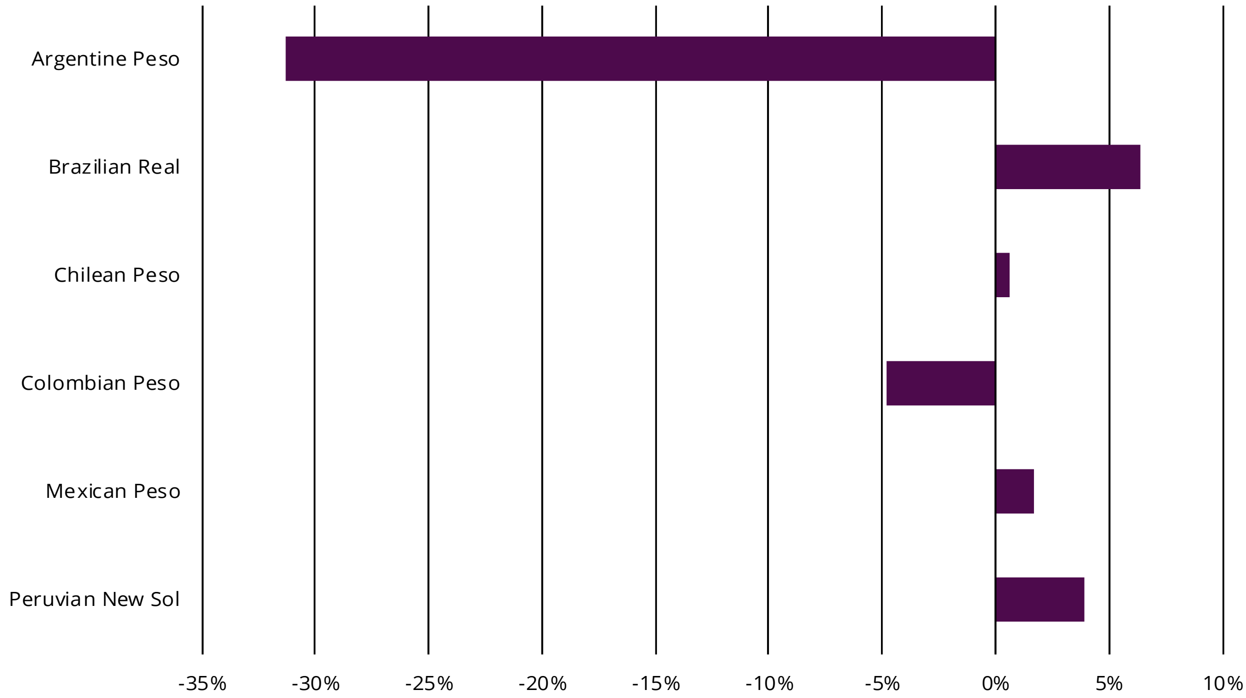


Portfolio Geographic Breakdown – Equities and Bonds



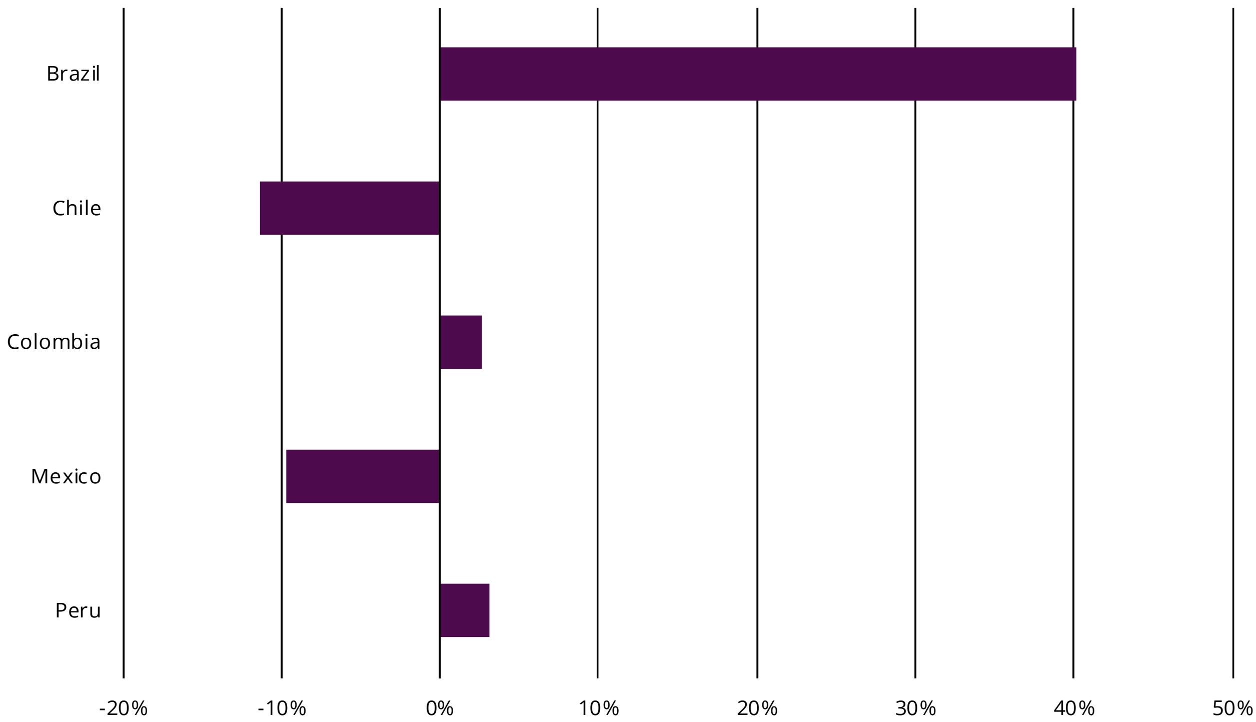
Portfolio
Currency/Market Performance
As at 31 August 2019

Latin American currency percentage returns in Sterling terms



Source: WRM

MSCI Country Index total percentage returns in Sterling terms – Year ended 31 August 2019



Source: RIMES

Governance

The Company is committed to high standards of corporate governance and applies the principles identified in the AIC Code of Corporate Governance for Jersey-domiciled member companies which is compliant with the UK Corporate Governance Code and the Directors are all non-executive and independent of the Manager and Investment Manager. The Directors supervise the management of the Company and represent the interests of shareholders.

Your Board of Directors

The current Directors' details, all of whom are non-executive and independent of the Manager and Investment Manager, are set out below. The Directors supervise the management of the Company and represent the interests of shareholders.

Richard Prosser

Status: Independent Non-Executive Director and Chairman

Length of Service: 9 years, appointed on 30 June 2010

Last re-elected to the Board: 8 December 2016

Experience: Richard is a chartered accountant, a group director of the Estera Group (formerly known as Appleby Group) and a director of its wholly-owned trust company, Estera Trust (Jersey) Limited. He is a director of a number of companies including property companies, hedge funds and investment management companies. He chairs the investment policy committee of Estera Trust which monitors and evaluates the performance of asset managers throughout the Estera Group.

Committee membership: Management Engagement Committee (Chairman), Nomination Committee (Chairman) and Audit Committee

Remuneration: £32,000 per annum

All other public company directorships: Qannas Investments Limited

Employment by Investment Manager: none

Other connections with the Company or Investment Manager: none

Shared directorships with other Company Directors: none

Shareholding in the Company: 15,000 Ordinary shares

Hazel Adam

Status: Independent Non-Executive Director

Length of Service: 1 year, appointed on 27 April 2018

Elected to the Board: 13 December 2018

Experience: Hazel has over 20 years' experience in the fund management and investment banking industries. After leaving Standard Life Investments in 2005, she joined Goldman Sachs International, as an executive director on the Emerging Market equities desk. She subsequently worked at HSBC Holdings plc, as a director on the Emerging Market equities desk.

Committee membership: Audit Committee, Management Engagement Committee and Nomination Committee

Remuneration: £22,000 per annum

All other public company directorships: none

Employment by Investment Manager: none

Other connections with the Company or Investment Manager: none

Shared directorships with other Company Directors: none

Shareholding in the Company: none

Your Board of Directors continued

George Baird

Status: Independent Non-Executive Director and Audit Committee Chairman

Length of Service: 9 years, appointed on 9 July 2010

Last re-elected to the Board: 7 December 2017

Experience: George graduated from Dundee University with a Law degree in 1971 and joined Arthur Young McLelland Moores & Co, qualifying as a chartered accountant in 1975. After working in local government in Scotland, he was appointed Treasurer of the States of Jersey in 1991. Prior to his retirement in 2002, he was group finance director of Mourant du Feu & Jeune. He holds several non-executive directorships in the Channel Islands.

Committee membership: Audit Committee (Chairman), Management Engagement Committee and Nomination Committee

Remuneration: £27,000 per annum

All other public company directorships: Geiger Counter Limited and Yatra Capital Limited

Employment by Investment Manager: none

Other connections with the Company or Investment Manager: none

Shared directorships with other Company Directors: none

Shareholding in the Company: none

Heather MacCallum

Status: Independent Non-Executive Director

Length of Service: appointed on 24 April 2019

Last re-elected to the Board: n/a

Experience: Heather is a chartered accountant and was a partner of KPMG, Channel Islands, from 2001 until retiring from the partnership in 2016. She was a member of KPMG's financial services practice in the Channel Islands for 20 years. She is a non-executive director and chair of the audit committee of Jersey Water, and a non-executive director of Kedge Capital Fund Management Limited.

Committee membership: Audit Committee, Management Engagement Committee and Nomination Committee

Remuneration: £22,000 per annum

All other public company directorships: Blackstone / GSO Loan Financing Limited and City Merchants High Yield Trust Limited.

Employment by Investment Manager: none

Other connections with the Company or Investment Manager: none

Shared directorships with other Company Directors: none

Shareholding in the Company: none

Directors' Report

The Directors present their Report and the audited financial statements for the year ended 31 August 2019.

Status

The Company is registered with limited liability in Jersey as a closed-ended investment company under the Companies (Jersey) Law 1991 with registered number 106012. In addition, the Company is constituted and regulated as a collective investment fund under the Collective Investments Funds (Jersey) Law 1988. The Company has no employees and makes no political or charitable donations. The Company has a wholly owned subsidiary, Aberdeen Latin American Income Fund LLC, registered in Delaware. The subsidiary is used to hold certain investments as part of the efficient management of the group.

The Company intends to continue to manage its affairs so as to be a qualifying investment for inclusion in the stocks and shares component of an Individual Savings Account and it is the Directors' intention that the Company should continue to be a qualifying investment.

Results and Dividends

Details of the Company's results and dividends are shown on page 13 of this Annual Report. The Company's dividend policy is to pay interim dividends on a quarterly basis and for the year to 31 August 2019 dividends have been paid in January, May, August and October 2019.

Management Arrangements

The Company has an agreement (the "Management Agreement") with APWML for the provision of management, company secretarial and promotional services, details of which are shown in notes 5, 6 and 17 to the financial statements. As set out in the Chairman's Statement, APWML merged with ASCIL on 30 September 2019. Following the merger, ASCIL assumed responsibility for the provision of management, company secretarial and promotional services for the Company, with no changes to how the Company is managed and no impact to shareholders.

Under the Management Agreement, the Manager is entitled to both a management fee and a company secretarial and administration fee. The Manager has agreed to ensure that the Company's ongoing charges ratio ("OCR") will not exceed 2.0% when calculated annually as at 31 August. Until further notice, to the extent that the OCR ever exceeds 2.0% the Manager will rebate part of its fees in order to bring that ratio down to 2.0%. In relation to the year ended 31 August 2019 an OCR rebate of £49,000 was payable by the Manager in order to ensure that the OCR did not exceed 2.0%.

The Directors review the terms of the Management Agreement on a regular basis and have confirmed that, due to the investment skills, experience and commitment of the Management team, in their opinion the continuing appointment of APWML, and its successor entity ASCIL, on the terms agreed, is in the interests of Shareholders as a whole.

Share Capital

As at 31 August 2019 there were 58,000,324 Ordinary shares in issue and 6,107,500 Ordinary shares held in treasury. Details of changes to the Company's shares in issue during the year are provided in 'Your Company's Share Capital History' on page 88.

Ordinary shareholders are entitled to vote on all resolutions which are proposed at general meetings of the Company. The Ordinary shares carry a right to receive dividends. On a winding up, after meeting the liabilities of the Company, the surplus assets will be paid to Ordinary shareholders in proportion to their shareholdings.

Risk Management

Details of the principal risks and uncertainties and KPIs are disclosed on pages 9 and 10 respectively. Details of the financial risk management policies and objectives relative to the use of financial instruments by the Company are set out in note 15 to the financial statements.

Directors

The current Directors, Richard Prosser, Hazel Adam, George Baird and Heather MacCallum (appointed 24 April 2019), together with Martin Adams (retired 13 December 2018), were the only Directors in office during the period.

The Directors' beneficial holdings are disclosed in the Directors' Remuneration Report. No Director has a service contract with the Company. The Directors' interests in contractual arrangements with the Company are as shown in note 17 to the financial statements. Details of the Directors retiring and seeking election or re-election at the Annual General Meeting on 11 December 2019 are disclosed below within the Nomination Committee section.

Corporate Governance

The Company is committed to high standards of corporate governance. The Board is accountable to the Company's Shareholders for good governance.

The Company is a member of the Association of Investment Companies ("AIC"). The Board has considered the principles and recommendations of the AIC Code of

Corporate Governance for Jersey-domiciled member companies ("AIC Code") by reference to the AIC Corporate Governance Guide for Investment Companies ("AIC Guide"). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues which are of specific relevance to the Company. Both the AIC Code and the AIC Guide are available on the AIC's website: **theaic.co.uk**.

In July 2018, the Financial Reporting Council ("FRC") issued an updated version of the UK Corporate Governance Code, which takes effect in respect of financial years commencing on or after 1 January 2019. In February 2019, the AIC issued a revised version of the AIC Code with an application date for accounting periods commencing on or after 1 January 2019. The Board is considering the implications and future reporting requirements of the revised codes.

The Company has complied throughout the accounting period with the relevant provisions contained within the AIC Code and the relevant provisions of the UK Corporate Governance Code except as set out below.

The UK Corporate Governance Code includes provisions relating to:

- the role of the chief executive (A.1.2);
- executive directors' remuneration (D.2.1 and D.2.2);
- the need for a Senior Independent Director (A.4.1); and,
- and the need for an internal audit function (C.3.6).

For the reasons set out in the AIC Code, and as explained in the UK Corporate Governance Code, the Board considers that these provisions are not relevant to the position of the Company, being an externally-managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations. The Company has therefore not reported further in respect of these provisions. The full text of the Company's Corporate Governance Statement can be found on the Company's website, **latamincome.co.uk.**

The Directors attended Board and Committee meetings during the year ended 31 August 2019 as follows (with their eligibility to attend the relevant meeting in brackets):

	Board	Audit Committee	MEC	Nomination Committee
R Prosser	4 (4)	2 (2)	1 (1)	1 (1)
H Adam	4 (4)	2 (2)	1 (1)	1 (1)
G Baird	4 (4)	2 (2)	1 (1)	1 (1)
H MacCallum*	1 (1)	1 (1)	0 (0)	0 (0)
M Adams**	1 (1)	1 (1)	1 (1)	1 (1)

* Ms H MacCallum was appointed to the Board on 24 April 2019
** Mr M Adams retired from the Board on 13 December 2018

Policy on Tenure

The Board's policy on tenure is that Directors need not serve on the Board for a limited period of time only. The Board does not consider that the length of service of a Director is as important as the contribution he or she has to make, and therefore the length of service will be determined on a case-by-case basis. The Company's Articles of Association require that all Directors shall submit themselves for election by Shareholders at the first opportunity following their appointment and shall not remain in office longer than three years since their last election or re-election without submitting themselves to re-election. However, in accordance with corporate governance best practice, the Board has agreed that all Directors will retire from the Board annually and voluntarily offer themselves for election or re-election by Shareholders.

The Board has a schedule of matters reserved to it for decision and the requirement for Board approval on these matters is communicated directly to the senior staff at Aberdeen Standard Investments. Such matters include strategy, gearing, treasury and dividend policy. Full and timely information is provided to the Board to enable the Directors to function effectively and to discharge their responsibilities. The Board also reviews the financial statements, performance and revenue budgets.

The Board has put in place necessary procedures to conduct, on an annual basis, an appraisal of the Chairman of the Board, Directors' individual self-evaluation and a performance evaluation of the Board as a whole. For the year to 31 August 2019 this was undertaken using detailed questionnaires followed by one-on-one discussions. The outcome of the appraisal process was judged by the Board to be satisfactory with all Directors having contributed effectively at the meetings that they had attended during the year. The Board also reviewed the Chairman's and Directors' other commitments and is satisfied that the Chairman and other Directors are capable of devoting sufficient time to the Company.

There is an agreed procedure for Directors to take independent professional advice if necessary and at the

Company's expense. This is in addition to the access which every Director has to the advice and services of the Company Secretary, which is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

Board Committees

As the Company has no employees and the Board is comprised wholly of non-executive Directors and given the size and nature of the Company, the Board has not established a separate remuneration committee. Directors' remuneration is determined by the Board as a whole. The remuneration of the Directors has been set in order to attract individuals of a calibre appropriate to the future development of the Company. The Company's policy on Directors' remuneration, together with details of the remuneration of each Director, is detailed in the Directors' Remuneration Report on pages 37 to 39.

Audit Committee

The Report of the Audit Committee is on pages 34 to 36.

Management Engagement Committee ("MEC")

The Board has appointed a MEC which comprises the entire Board. Mr R Prosser is Chairman of the MEC. The Committee has defined terms of reference which are reviewed and re-assessed for their adequacy on an annual basis. Copies of the terms of reference are published on the Company's website: latamincome.co.uk.

The function of the MEC is to review performance and to ensure that the Manager and the Investment Manager comply with the terms of the Management Agreement and that the provisions of the agreement follow industry practice, and remain competitive and in the best interest of Shareholders as a whole. The MEC remains satisfied that the continuing appointment of the Investment Manager and Manager on the terms agreed is in the interests of Shareholders as a whole. The key factors taken into account in reaching this decision were the investment skills, experience and commitment and performance record of Aberdeen Standard Investments. The Management Agreement may be terminated by either party by giving not less than 12 months' notice in writing.

Nomination Committee

Appointments to the Board of Directors are considered by the Nomination Committee which comprises the entire Board. The Committee has defined terms of reference which are reviewed and re-assessed for their adequacy on an annual basis. Copies of the terms of reference are published on the Company's website: latamincome.co.uk. Mr R Prosser is Chairman of the Nomination Committee. Possible new Directors are identified by the Nomination Committee against the requirements of the Company's business and the need to have a balanced Board. Every Director is entitled to receive appropriate training as deemed necessary including a full induction from the Manager. The induction includes meetings with the Manager's compliance, internal audit, investor relations and promotional teams as well as an in-depth meeting with the individual portfolio managers. The Board's overriding priority when appointing new Directors to the Board will be to identify the candidate with the best range of skills and experience to complement existing Directors.

During the year the Nomination Committee initiated a search to find a new independent non-executive Director, using the services of Thomas & Dessain, an independent search consultant. The Directors drew up a specification for the appointment and interviewed a shortlist of suitable candidates. Following review, the Directors appointed Ms Heather MacCallum as an independent non-executive Director of the Company with effect from 24 April 2019. Further details on Ms H MacCallum are provided in the Chairman's Statement and on page 26.

At the AGM on 13 December 2019, Mr R Prosser and Ms H Adam will offer themselves for re-election and Ms H MacCallum will offer herself for election. As set out in the Chairman's Statement, Mr G Baird will retire at the AGM, having served on the Board since 2010. The Board considers that there is a balance of skills and experience within the Board relevant to the leadership and direction of the Company and that all Directors contribute effectively. In accordance with the provisions of the AIC Code of Corporate Governance for Jersey Domiciled Investment Companies, the independent Directors have scrutinised the contribution and independence of Mr Prosser who has now served on the Board for nine years and five months and they are unanimously of the opinion that Mr Prosser remains independent of the Manager. Accordingly, the Board has no hesitation in recommending to Shareholders the re-election of Mr R Prosser. The Board has also reviewed, and wholeheartedly supports, the proposed re-election and election of Ms H Adam and Ms H MacCallum respectively.

The Board's policy on diversity is disclosed in the Strategic Report on page 11.

Going Concern

In accordance with the FRC's guidance the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern. The Company's assets including those of its wholly owned subsidiary, Aberdeen Latin American Income Fund LLC, consist of a diverse portfolio of listed equities, equity-related investments and fixed income investments exposed to the Latin American market which in most circumstances are realisable within a very short timescale.

The Company has considerable financial resources and, as a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite uncertainties in the economic outlook.

The Directors are mindful of the principal risks and uncertainties disclosed on page 10 and have reviewed forecasts detailing revenue and liabilities and believe that the Company has adequate financial resources to continue its operational existence for the foreseeable future and at least 12 months from the date of this Annual Report. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements of the Company as at the date of the approval of this Report.

Internal Controls and Risk Management

The design, implementation and maintenance of controls and procedures to safeguard the assets of the Company and to manage its affairs properly extends to operational and compliance controls and risk management. The Board has prepared its own risk register which identifies potential risks both major and minor relating to: strategy; investment management; Shareholders; marketing; gearing; regulatory and financial obligations; third party service providers and the Board. The Board considers the potential cause and possible impact of these risks as well as reviewing the controls in place to mitigate these potential risks. A risk is rated by having a likelihood and an impact rating and the residual risk is plotted on a "heat map" and is reviewed regularly.

The Board is ultimately responsible for the Company's system of internal control and for reviewing its effectiveness. The FRC's Guidance on Risk Management, Internal Control and Related Financial Business Reporting ("FRC Guidance"), assists Directors in applying section C.2 of the UK Corporate Governance Code. The Board confirms that there is an ongoing process for identifying, evaluating and managing the principal 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 Report and financial statements, and is regularly reviewed by the Board and accords with the guidance. 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 principal risks affecting the Company and policies by which these risks are managed. The principal risks and uncertainties faced by the Company are detailed in the Strategic Report.

The key components designed to provide effective internal control are outlined below:

- the Manager prepares monthly forecasts and management accounts which allow the Board to assess the Company's activities and review its performance;
- the Board and the Manager have agreed clearly defined investment criteria, specified levels of authority and exposure limits; reports on these issues, including performance statistics and investment valuations, are regularly submitted to the Board and there are meetings with the Manager as appropriate;
- as a matter of course the Manager's compliance department continually reviews its' operations;
- written agreements are in place which specifically define the roles and responsibilities of the Manager and other third-party service providers and the Committee reviews, where relevant, periodic ISAE3402 Reports, a global assurance standard for reporting on internal controls for service organisations; the Board is made aware by the Manager of relevant exceptions in ISAE3402 reporting from key third party service providers as part of the Manager's third party service provider oversight regime;
- at its November 2019 meeting, the Audit Committee members carried out an annual assessment of internal controls for the year ended 31 August 2019 by considering documentation from Aberdeen Standard Investments, including the internal audit and compliance functions and taking account of events since 31 August 2019. The results of the assessment were then reported to the Directors at the Board meeting which followed; and,
- the Board has considered the need for an internal audit function but, because of the compliance and internal control systems in place at the Manager, has decided to place reliance on Manager's systems and internal audit procedures.

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 mis-statement and loss.

Management of Conflicts of Interest

The Board has a procedure in place to deal with a situation where a Director has a conflict of interest. As part of this process, the Directors prepare a list of other positions held and all other conflict situations that may need to be authorised either in relation to the Director themselves or their connected persons. The Board considers each Director's situation and decides whether to approve any conflict, taking into consideration what is in the best interests of the Company and whether the Director's ability to act in accordance with their wider duties is affected. Each Director is required to notify the Company Secretary of any potential, or actual, conflict situations that will need authorising by the Board. Authorisations given by the Board are reviewed at each Board meeting.

No Director has a service contract with the Company although each Director is issued with a letter of appointment when appointed to the Board. The Directors' interests in contractual arrangements with the Company are as shown in note 17 to the financial statements. No other Directors had any interest in contracts with the Company during the period or subsequently.

The Board has adopted appropriate procedures designed to prevent bribery. The Company receives periodic reports from its service providers on the anti-bribery policies of these third parties. It also receives regular compliance reports from the Manager.

In the UK the Criminal Finances Act 2017 introduced a new corporate criminal offence of "failing to take reasonable steps to prevent the facilitation of tax evasion". The Board has confirmed that it is the Company's policy to conduct all of its business in an honest and ethical manner. The Board takes a zero-tolerance approach to facilitation of tax evasion, whether under UK law or under the law of any foreign country.

Substantial Interests

The Company has been advised that the following Shareholders owned 3% or more of the issued Ordinary share capital of the Company at 31 August 2019:

Shareholder	Number Of shares held	% held
City of London Investment Management	11,875,573	20.5
1607 Capital Partners	7,878,369	13.6
Aberdeen Standard Retail Plans	7,176,515	12.4
Hargreaves Lansdown, stockbrokers	4,600,321	8.1
Philip J Milton Stockbrokers	3,028,161	5.2
Interactive Investor	1,742,072	3.0

On 5 September 2019, City of London Investment Management Company Limited notified the Company that its holding had increased to 12,214,622 Ordinary shares (21.1%). There have been no other significant changes notified in respect of the above holdings between 31 August 2019 and 6 November 2019.

Alternative Investment Fund Managers Directive ("AIFMD")

On 14 July 2014, the Jersey Financial Services Commission granted the Company a certificate of exemption from the application of the Alternative Investment Funds (Jersey) Regulations 2012 to any marketing it may carry out within any EU member state. ASCIL, as the Company's non-EEA alternative investment fund manager, also notified the FCA in accordance with the requirements of the UK National Private Placement Regime for inclusion of the Company on the UK register as a non-EEA alternative investment fund being marketed in the UK.

In addition, in accordance with Article 23 of the AIFMD and Rule 3.2.2 of the FCA FUND Sourcebook, ASCIL is required to make available certain disclosures for potential investors in the Company and these are available on the Company's website: **latamincome.co.uk.**

Annual General Meeting

The AGM will be held at 10.00 a.m. on Wednesday, 11 December 2019 at the Company's registered office, Sir Walter Raleigh House, 48 – 50 Esplanade, St Helier, Jersey JE2 3QB. Resolutions including the following business will be proposed:

Dividend Policy

As a result of the timing of the payment of the Company's quarterly dividends, the Company's Shareholders are unable to approve a final dividend each year. In line with good corporate governance, the Board therefore proposes to put the Company's dividend policy to Shareholders for approval at the Annual General Meeting and on an annual basis thereafter.

The Company's dividend policy shall be that dividends on the Ordinary Shares are payable quarterly in relation to periods ending November, February, May and August. It is intended that the Company will pay quarterly dividends consistent with the expected annual underlying portfolio yield. Resolution 3 will seek shareholder approval for the dividend policy.

Authority to Purchase the Company's Shares

In the past the Company has quoted that the aim of its discount management policy has been to try to maintain the price at which the Ordinary shares trade relative to the Company's NAV at a discount of no more that 5%. As stated in the Chairman's Statement, the Company's discount to NAV widened from 13.6% to 16.0% during the financial year to 31 August 2019 as market volatility continued to impede the Company's ability to have a meaningful impact on the discount through the purchase of the Ordinary shares. During the year under review the Company bought back 2,175,000 Ordinary shares for cancellation at a cost of £1,485,000. Subsequent to the period end a further 290,000 Ordinary shares have been purchased for cancellation at a cost of £204,045.

Purchases of Ordinary shares will only be made through the market for cash at prices below the prevailing exclusive of income NAV per Ordinary share (as last calculated) where the Directors believe such purchases will enhance Shareholder value and are likely to assist in narrowing any discount to NAV at which the Ordinary shares may trade.

Resolution 9, a special resolution, will be proposed to renew the Directors' authority to make market purchases of the Ordinary shares in accordance with the provisions of the FCA's Listing Rules. The Company will seek authority to purchase up to a maximum of 8,650,778 Ordinary shares (representing 14.99% of the current issued Ordinary share capital excluding treasury shares as at the date of publication of this Annual Report). The authority being sought shall expire at the conclusion of the Annual General Meeting in 2020 unless such authority is renewed prior to that time. Any Ordinary shares purchased in this way will either be cancelled and the number of Ordinary shares will be reduced accordingly, or the Ordinary shares will be held in treasury, in accordance with the authority previously conferred by Shareholders.

The Companies (Jersey) Law 1991 allows companies to either cancel shares or hold them in treasury following a buy-back. These powers give Directors additional flexibility and the Board considers that it is in the interest of the Company that such powers be available, including the power to hold treasury shares. Any future sales of Ordinary shares from treasury will only be undertaken at a premium to the prevailing NAV per Ordinary share for the benefit of all Shareholders. The Directors monitor the level of shares held in treasury and whilst there are no upper limits on the number of shares that can be held in treasury consideration will be given to cancelling treasury shares if the number becomes excessively high compared to the issued share capital.

Directors' Authority to Allot Relevant Securities

There are no provisions under Jersey law which confer rights of pre-emption upon the issue or sale of any class of shares in the Company. However, as the Ordinary shares are traded on the main market of the London Stock Exchange and have a premium listing, the Company is required to offer pre-emption rights to its Shareholders and the Articles of Association reflect this. Ordinary shares will only be issued at a premium to the prevailing NAV per Ordinary share and, therefore, any issue will not be disadvantageous to existing Ordinary Shareholders.

Unless previously disapplied by special resolution, in accordance with the FCA's Listing Rules, the Company is required to first offer any new shares or securities (or rights to subscribe for, or to convert or exchange into, shares) proposed to be issued for cash to Shareholders in proportion to their holdings in the Company. In order to provide for such share issues, your Board is therefore also proposing that an annual disapplication of the pre-emption rights is given to the Directors so that they may issue shares as and when appropriate. Accordingly, resolution 10, a Special resolution, proposes a disapplication of the pre-emption rights in respect of 10% of the shares in issue, set to expire on the earlier of fifteen months from the date of the resolution or at the conclusion of the Annual General Meeting to be held in 2020.

Reappointment of Independent Auditor

Our auditor, Ernst & Young LLP, has indicated its willingness to remain in office. The Directors will place a resolution before the Annual General Meeting to re-appoint them as independent auditor for the ensuing year, and to authorise the Directors to determine their remuneration.

Recommendation

Your Board considers all resolutions to be in the best interests of the Company and its members as a whole. Accordingly, your Board recommends that Ordinary Shareholders should vote in favour of all resolutions to be proposed at the Annual General Meeting, as they intend to do in respect of their own beneficial shareholdings.

Directors' & Officers Liability Insurance

Directors' & Officers' liability insurance cover has been maintained throughout the period at the expense of the Company.

Relations with Shareholders

The Directors place a great deal of importance on communication with Shareholders and welcomes feedback from all Shareholders. The Chairman meets periodically with the largest Shareholders to discuss the Company. The Annual Report and financial statements are widely distributed to other parties who have an interest in the Company's performance. Shareholders and investors may obtain up to date information on the Company through the Manager's freephone information service and the Company's website: **latamincome.co.uk.**

The Board's policy is to communicate directly with Shareholders and their representative bodies without the involvement of the management group (either the Company Secretary or the Manager) in situations where direct communication is required.

The Notice of the Annual General Meeting included within the Annual Report and financial statements is ordinarily sent out at least 20 working days in advance of the meeting. All Shareholders have the opportunity to put questions to the Board or Manager, either formally at the Company's AGM or informally following the meeting. The Company Secretary is available to answer general Shareholder queries at any time throughout the year. The Directors are keen to encourage dialogue with Shareholders and the Chairman welcomes direct contact from Shareholders.

UK Stewardship Code and Proxy Voting as an Institutional Shareholder

Responsibility for actively monitoring the activities of portfolio companies has been delegated by the Board to the Manager which has sub-delegated that authority to the Investment Manager.

The full text of the Company's response to the Stewardship Code may be found on the Company's website: **latamincome.co.uk**.

Environmental, Social and Governance (ESG) Policy

The Board is aware of its duty to act in the best interests of the Company. As an investment company, the Company has no direct social, environmental or community responsibilities. However, the Board acknowledges that there are risks associated with investment in companies which fail to conduct business in a socially responsible manner and the Board, therefore, ensures that they take regular account of the social, environment and ethical factors, which may affect the performance or value of the Company's investments. During the period under review, the forest fires in the Amazon were of particular note. Through the Manager the Company ensures it has oversight over its supply chains and potential involvement in areas of deforestation, which is monitored through the Company's investment process.

For and on behalf of the Board

Aberdeen Standard Capital International Limited
Secretary
6 November 2019

1st Floor, Sir Walter Raleigh House
48 – 50 Esplanade,
St Helier
Jersey JE2 3QB

Report of the Audit Committee

I am pleased to present the report of the Audit Committee for the year ended 31 August 2019.

Committee Composition

The Audit Committee operates within clearly defined terms of reference and comprises four independent Directors, myself (Mr G Baird, Chairman with recent and relevant experience), Ms H Adam, Mr R Prosser and Ms H MacCallum. The UK Corporate Governance Code and the AIC Code acknowledge that some of the standard UK Corporate Governance Code provisions may not be specifically appropriate to investment companies and, in this regard, the Board believes that it is appropriate for all the independent Directors to constitute the Audit Committee. The Directors have satisfied themselves that at least one of the Committee's members has recent and relevant financial experience. Both myself and Ms H MacCallum are Chartered Accountants and members of the Institute of Chartered Accountants of Scotland, and Mr Prosser is a Chartered Accountant and a fellow of the Institute of Chartered Accountants in England and Wales. We each have competence in accounting and I confirm that the Audit Committee as a whole has competence relevant to the investment company sector.

Functions of the Committee

The principal function of the Committee is to assist the Board in relation to the reporting of financial information, the review of financial controls and the management of risk.

The Committee has defined terms of reference which are reviewed and re-assessed for their adequacy on an annual basis. Copies of the terms of reference are published on the Company's website: **latamincome.co.uk.**

The Committee's main audit review functions are listed below:

- to review and monitor the internal control systems and risk management systems upon which the Company is reliant;
- to consider annually whether there is a need for the Company to have its own internal audit function;
- to monitor the integrity of the interim and annual financial statements of the Company by reviewing, and challenging where necessary, the actions and judgements of the Manager, which acts as Administrator, and Company Secretary;
- to review, and report to the Board on, the significant financial reporting issues and judgements made in connection with the preparation of the Company's financial statements, Half Yearly Reports, announcements and related formal statements;
- to review the content of the Annual Report and financial statements and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy;
- to meet with the external auditor to review its proposed audit programme of work and subsequently reviewing the findings and effectiveness of the audit programme. The Committee uses this as an opportunity to assess the effectiveness of the audit process;
- to develop and implement policy on the engagement of the external auditor to supply non-audit services. (During the period under review, no fees were paid to the auditor in respect of non-audit services – the Board will review any future fees in the light of the requirement to maintain the auditor's independence);
- to review an annual statement from the Manager detailing the arrangements in place within the Manager whereby staff may, in confidence, escalate concerns about possible improprieties in matters of financial reporting or other matters;
- to make recommendations in relation to the appointment of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- to monitor and review annually the external auditor's independence, objectivity, effectiveness, resources and qualification; and,
- to investigate, when an auditor resigns, the reasons giving rise to such resignation and consider whether any action is required.

Activities During the Year

The Audit Committee met twice during the year when it considered the Annual Report and the Half Yearly Report in detail. Representatives of the Manager's internal audit, risk and compliance departments reported to the Committee at these meetings on matters such as internal control systems, risk and the conduct of the business in the context of its regulatory environment. The Committee also met in private with the auditor without any management representatives in attendance.

Review of Internal Control Systems and Risk

The Committee considers the internal control systems and a matrix of risks at each of its meetings. There is more detail on the process of these reviews in the Directors' Report.

Significant Issues

During its review of the Company's financial statements for the year ended 31 August 2019, the Audit Committee considered the following significant issues, in particular those communicated by the auditor during their reporting:

Mispricing of Investments

The pricing of investments is undertaken in accordance with the accounting policies on fair value measurement as disclosed on page 57. The fair value is derived from unadjusted quoted bid prices in active markets, with the exception of inflation-linked bonds whose quoted bid prices are adjusted for indexation. The audit includes independent confirmation of the pricing of all investments. The portfolio is reviewed and verified by the Manager on a regular basis and management accounts, including a full portfolio listing, are prepared each month and circulated to the Board.

Recognition of Dividend and Interest Income

The recognition of investment income is undertaken in accordance with accounting policy note 2(b) to the financial statements on page 56. Dividends and interest arising from bonds are allocated to the revenue account. Special dividends are allocated to the capital or revenue accounts according to the nature of the payment and the intention of the underlying company. The Manager provides monthly internal control reports to the Board. The allocation of special dividends is a principal risk in the audit planning board report provided by the auditor.

Review of the Annual Report and Financial Statements

The Board is responsible for the preparation of the Company's Annual Report and financial statements. The process is extensive, requiring input from a number of different third party service providers. The Committee reports to the Board on whether, taken as a whole, the Annual Report and financial statements are fair, balanced and understandable.

The Committee has considered the following matters:

- the existence of a comprehensive control framework surrounding the production of the Annual Report and financial statements which includes a number of different checking processes;
- the existence of extensive levels of reviews as part of the production process involving BNP Paribas (the Custodian), the Manager, the Company Secretary and the auditor together as well as the Committee's own expertise;
- the controls in place within the various third party service providers to ensure the completeness and accuracy of the financial records and the security of the Company's assets;
- the externally reviewed internal control reports of the Manager, Depositary and related service providers which are available for review by the Committee.

The Committee has reviewed the Annual Report and the work undertaken by the third party service providers and is satisfied that, taken as a whole, the Annual Report and financial statements is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy. In reaching this conclusion, the Committee has assumed that the reader of the Annual Report would have a reasonable level of knowledge of the investment company industry in general and of investment companies in particular. The Committee has reported its findings to the Board which in turn has made its own statement in this regard in the Directors' Responsibility Statement on page 40.

Review of Auditor

The Audit Committee has reviewed the effectiveness of the auditor including:

- independence (the auditor discusses with the Audit Committee, at least annually, the steps it takes to ensure its independence and objectivity and makes the Committee aware of any potential issues, explaining all relevant safeguards. The audit fees paid to Ernst & Young LLP are disclosed in note 6 and no non-audit fees were paid to Ernst & Young LLP in the year);
- quality of audit work including the ability to resolve issues in a timely manner (identified issues are satisfactorily and promptly resolved), its communications/presentation of outputs (the explanation of the audit plan, any deviations from it and the subsequent audit findings are comprehensive and comprehensible), and working relationship with management (the auditor has a constructive working relationship with the Manager); and,
- quality of people and service including continuity and succession plans (the audit team is made up of sufficient, suitably experienced staff with provision made for knowledge of the investment company sector and retention on rotation of the partner).

Ernst & Young LLP has held office as auditor since the launch of the Company in 2010; in accordance with professional guidelines the audit partner is rotated after at most five years, and this is the second year for the current audit partner. The Committee considers Ernst & Young LLP to be independent of the Company. In accordance with the EU Audit Regulations it is mandatory for audit firms to rotate at least every 10 years, which can be extended to 20 years where a public tender has been conducted after 10 years. Although not a specific requirement, and in order to meet developing best practice, the Company will undertake a public tender of its audit during 2020.

The Audit Committee supports the recommendation to the Board that the re-appointment of Ernst & Young LLP be put to Shareholders for approval at the AGM. Shareholders have the opportunity at each AGM to vote on the reappointment of the auditor for the forthcoming year.

Accountability and Audit

The respective responsibilities of the Directors and the auditor in connection with the financial statements are set out on pages 40 and 45.

Each Director confirms that, so far as he or she is aware, there is no relevant audit information of which the Company's auditor is unaware, and he or she has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. Additionally there are no important events since the period end other than as disclosed in the notes to the financial statements

The Directors have reviewed the level of non-audit services provided by the independent auditor during the year, together with the independent auditor's procedures in connection with the provision of such services, and remain satisfied that the auditor's objectivity and independence is being safeguarded.

George Baird
Audit Committee Chairman
6 November 2019

Directors' Remuneration Report

The Board has prepared this report on a voluntary basis in accordance with the UK regulations governing the disclosure and approval of Directors' remuneration.

The Company's auditor has not audited any of the disclosures provided in this Directors' Remuneration Report.

This Remuneration Report comprises three parts:

- a Remuneration Policy, which was approved by a binding Shareholder vote at the AGM held in 2017 and which is subject to Shareholder approval every three years thereafter. Should the Remuneration Policy be varied during this interval, then Shareholder approval for the new Remuneration Policy will be sought;
- an Implementation Report, which provides information on how the policy has been applied during the year and which will be subject to an advisory vote on the level of remuneration paid during the year as set out in the Implementation Report; and,
- an Annual Statement.

There have been no changes to the Directors' Remuneration Policy during the period of this Report nor are there any proposals for the year ending 31 August 2020.

Remuneration Policy

This part of the Remuneration Report provides details of the Company's Remuneration Policy for Directors of the Company. This policy takes into consideration the principles of UK Corporate Governance Code and the AIC Guide recommendations regarding the application of those principles to investment companies. As the Company has no employees and the Board is comprised wholly of non-executive Directors and given the size and nature of the Company, the Board has not established a separate remuneration committee. Directors' remuneration is determined by the Board as a whole.

The Directors are non-executive and their fees comply with the Company's Articles of Association which limit the aggregate annual fees payable to the Board of Directors to £250,000 (Article 85). The level may be increased by Shareholder resolution from time to time. Subject to this overall limit, the Board's policy is that the remuneration of non-executive Directors should reflect the nature of their duties, responsibilities and the value of their time spent and be fair and comparable to that of other investment companies that are similar in size, have a similar capital structure and have a similar investment objective. Fees are reviewed annually against the Company's peer group and if considered appropriate, increased accordingly. In the past year aggregate fees of £92,464 were paid to the Directors.

	2019* £	2018 £
Chairman	32,000	30,000
Chairman of Audit Committee	27,000	25,000
Director	22,000	20,000

* Fees effective from 1 January 2019

Appointment

- The Company only intends to appoint non-executive Directors.
- All the Directors are non-executive appointed under the terms of Letters of Appointment.
- Directors must retire and be subject to election at the first AGM after their appointment, and subject to re-election at least every three years thereafter. However, in accordance with corporate governance best practice, the Board has agreed that all Directors will retire from the Board annually and voluntarily offer themselves for re-election by Shareholders.
- New appointments to the Board will be placed on the fee applicable to all Directors at the time of appointment (currently £22,000).
- No incentive or introductory fees will be paid to encourage a directorship.
- The Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits.
- The Company indemnifies its Directors for all costs, charges, losses, expenses and liabilities which may be incurred in the discharge of duties, as a Director of the Company.

Performance, Service Contracts, Compensation and Loss of Office

- The Directors' remuneration is not subject to any performance related fee.
- No Director has a service contract with the Company.
- No Director has an interest in contracts with the Company during the period or subsequently.
- The terms of appointment provide that a Director may be removed subject to three months' notice.
- Compensation will not be due upon leaving office.
- No Director is entitled to any other monetary payment or any assets of the Company.

Directors' & Officers' liability insurance cover is maintained by the Company on behalf of the Directors. The Company's Articles indemnify each Secretary, agent and servant of the Company out of the assets of the Company in relation to charges, losses, liabilities, damages and expenses incurred in the course of the discharge of their

Directors' Remuneration Report continued

duties provided that such indemnity is not available in circumstances where there is fraud, wilful misconduct or negligence. Directors (and every present or former officer of the Company) are indemnified out of the assets of the Company in so far as Jersey law allows.

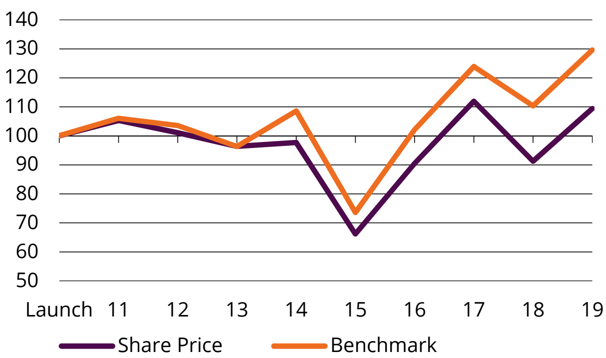
Implementation Report

Directors' Fees

The Board carried out a review of the level of Directors' fees payable to other companies managed by the Manager and within the broader emerging markets investment company peer group during the year and concluded that the fee levels of the Directors should be increased. With effect from 1 January 2019, it was agreed that the level of fees should increase to £32,000 for the Chairman (2018: £30,000), £27,000 (2018: £25,000) for the Audit Committee Chairman and £22,000 (2018: £20,000) for other Directors. There are no further fees, salaries, taxable benefits or any other items to disclose as the Company has no employees, Chief Executive or Executive Directors.

Company Performance

The Board has reviewed the Company's performance throughout the year under review. The following graph illustrates the total Shareholder share price return for a holding in the Ordinary shares as compared to the composite benchmark index weights as to 60% MSCI EM Latin America 10/40 index and 40% JP Morgan GBI-EM Global Diversified (Latin America carve out) (both in sterling terms) (figures rebased to 100 at launch on 16 August 2010). Given the Company's investment objective this is the most appropriate index against which to measure the Company's performance. Shareholders should note that the Company's portfolio is constructed without reference to any stock market index. It is likely, therefore, that there will be periods when the Company's performance will be quite unlike that of any index or benchmark and there can be no assurance that such divergence will be to the Company's advantage.



Source: ASI, Morningstar and Lipper

Statement of Voting at General Meeting

At the Company's last AGM, held on 13 December 2018, Shareholders approved the Directors' Remuneration Report (other than the Directors' Remuneration Policy). At the Company's AGM on 7 December 2017, the Shareholders approved the Directors' Remuneration Policy. The following proxy votes were received on the resolutions:

Resolution	For* (%)	Against (%)	Withheld (%)
2018 AGM Receive and Adopt Directors' Remuneration Report	24.3m (94.1%)	1.5m (5.9%)	35,281
2017 AGM Approve Directors' Remuneration Policy	21.9m (99.5%)	118,499 (0.5%)	51,556

* Including discretionary votes

A resolution to receive and adopt the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) in respect of the year ended 31 August 2019 will be proposed at the Annual General Meeting.

Spend on Pay

As the Company has no employees, the Directors do not consider it appropriate to present a table comparing remuneration paid to employees with distributions to Shareholders. The total fees paid to Directors are shown below.

Fees Payable

The Directors who served in the year received the following fees:

Director	2019 £	2018 £
R Prosser (Chairman and highest paid Director)	31,333	30,000
H Adam*	21,333	6,905
G Baird	26,333	25,000
H MacCallum**	7,777	25,000
M Adams***	5,688	20,000
M Gilbert****	Nil	Nil
Total	**92,464**	**81,905**

* appointed to the Board on 27 April 2018.
** appointed to the Board on 24 April 2019.
*** retired from the Board on 13 December 2018.
**** retired from the Board on 7 December 2017. Mr Gilbert waived his entitlement to a fee in respect of his appointment as a non-executive director up to and including the date of his retirement. Up to his retirement, Mr Gilbert was also a director of the parent company of the Manager and Investment Manager and his interests in the contractual arrangements with the Company are shown in note 17 to the financial statements.

None of the Directors received any other salaries or taxable benefits from the Company during the year. Fees are pro-rated where a change takes place during a financial year. Of the fees disclosed above £31,333 (2018: £30,000) was payable to third parties in respect of making available the services of Directors. These fees were in respect of Mr R Prosser (assigned to Estera Trust (Jersey) Limited).

Directors' Interests in the Company

The Directors are not required to hold shares in the Company.

The Directors (including connected persons) at 31 August 2019 and 31 August 2018 had no interest in the Ordinary share capital of the Company other than those interests, all of which are beneficial interests, shown in the table below.

	31 August 2019 Ordinary shares	31 August 2018 Ordinary shares
R Prosser	15,000	15,000
H Adam	-	-
G Baird	-	-
H MacCallum	-	-
M Adams	74,000*	74,000
M Gilbert	-	75,000**

* shares held at time of retirement on 13 December 2018.
** shares held at time of retirement on 7 December 2017.

There have been no changes notified in respect of the above holdings between 31 August 2019 and 6 November 2019.

Annual Statement

On behalf of the Board I confirm that the above Report on Remuneration Policy and Remuneration Implementation summarises, as applicable, for the year ended 31 August 2019:

- the major decisions on Directors' remuneration;
- any substantial changes relating to Directors' remuneration made during the year; and
- the context in which the changes occurred and in which decisions have been taken.

For and on behalf of the Board

Richard Prosser
Chairman
6 November 2019

1st Floor, Sir Walter Raleigh House
48 – 50 Esplanade,
St Helier
Jersey JE2 3QB

Statement of Directors' Responsibilities

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

The Companies (Jersey) Law 1991 requires the Directors to prepare financial statements for each financial period in accordance with any generally accepted accounting principles. The financial statements of the Company are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors should:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable;
- specify which generally accepted accounting principles have been adopted in their preparation;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- assess whether the Annual Report and financial statements, taken as a whole, is 'fair, balanced and understandable'.

The Directors are responsible for keeping accounting records which are sufficient to show and explain its transactions and are such as to disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements prepared by the Company comply with the requirements of the Companies (Jersey) Law 1991. 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.

Under applicable law and regulations, the Directors are also responsible for ensuring that the Company complies with the provisions of the Listing Rules and the Disclosure, Guidance & Transparency Rules of the UK Listing Authority which, with regard to corporate governance, require the Company to disclose how it has applied the principles, and complied with the provisions, of the UK Corporate Governance Code applicable to the Company.

Declaration

The Directors listed on pages 25 and 26, being the persons responsible, hereby confirm to the best of their knowledge:

- that the financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- that in the opinion of the Directors, the Annual Report and financial statements taken as a whole, is fair, balanced and understandable and it provides the information necessary to assess the Company's position and performance, business model and strategy; and
- the Strategic Report, including the Chairman's Statement and the Investment Manager's Review, include a fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that the Company faces.

For and on behalf of the Board

Richard Prosser
Chairman
6 November 2019

1st Floor, Sir Walter Raleigh House
48 – 50 Esplanade,
St Helier
Jersey JE2 3QB

The Manager is responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's Report to the Members of Aberdeen Latin American Income Fund Limited

Opinion

We have audited the financial statements of Aberdeen Latin American Income Fund Limited (the 'Company') for the year ended 31 August 2019 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and the related notes 1 to 21, 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 August 2019 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 (Jersey) Law 1991.

Basis of 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 principal risks, going concern and viability statement

We have nothing to report in respect of the following information in the annual report, in relation to which the ISAs (UK) require us to report to you whether we have anything material to add or draw attention to:

- the disclosures in the annual report set out on page 10 that describe the principal risks and explain how they are being managed or mitigated;
- the directors' confirmation set out on page 10 in the annual report that they have carried out a robust assessment of the principal risks facing the entity, including those that would threaten its business model, future performance, solvency or liquidity;
- the directors' statement set out on page 29 to 30 in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the entity's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- whether the directors' statement in relation to going concern required under the Listing Rules is materially inconsistent with our knowledge obtained in the audit; or;
- the directors' explanation set out on page 11 in the Annual Report as to how they have assessed the prospects of the entity, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the entity will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Overview of our audit approach

Key audit matters	• Risk of income recognition being incomplete or inaccurate, including the risk of special dividend income being misclassified between revenue and capital. • Risk of investments being misvalued.
Materiality	• Overall materiality of £478,000 which represents 1% of Net Asset Value (2018: £425,000 which represents 1% of Net Asset Value).

Independent Auditor's Report to the Members of Aberdeen Latin American Income Fund Limited continued

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.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Risk of income recognition being incomplete or inaccurate, including the risk of special dividend income being misclassified between revenue and capital **Income from investments £3.230m (2018: £3.095m)** Refer to the Audit Committee Report (page 34-36); Accounting policies (page 56); and Note 4 of the Financial Statements Income from Investments comprises the dividend income and interest income generated by the investments held in listed securities and dividends from the subsidiary undertaking which is treated as an investee entity in accordance with IFRS 10. Income from investments is the most significant component of the Company's revenue profit for the year. Management may seek to overstate revenue in order to report a higher return to investors.	We obtained an understanding of Management's processes and controls around the investment income process to ascertain whether income is appropriately calculated by performing a walkthrough in which we evaluated the design of controls. We assessed whether the income recognition policies were in compliance with IFRS. We agreed random samples of dividends received and receivable, and of interest income entitlements, to independent sources and bank statements. We validated the classification of a random sample of special dividends as capital or revenue according to source information. We recalculated the interest income on a random sample basis based on the contractual terms of the fixed income securities. We agreed dividends receivable from the investee entity to executed minutes. We validated the completeness of dividends recognised using independent sources. We agreed a random sample of dividend and interest income journal entries made in preparing the year end income accruals to independent sources and to our re-performance of the interest income calculations.	We reported that there were no matters identified during our audit work to indicate that income from investments is materially misstated.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Risk of investments being misvalued **Investments held at fair value through profit or loss £53.3m (2018: £48.3m)** Refer to the Audit Committee Report (page 34-36); Accounting policies (page 57); and Note 10, 15 and 19 of the Financial Statements The investments held by the Company and its subsidiary comprise a portfolio of equity and fixed interest income securities measured at fair value through profit or loss. The fair value of the bonds is derived from quoted bid prices in active markets which, where relevant, are adjusted for indexation. The fair value of the subsidiary is determined by reference to its unadjusted Net Asset Value which is based primarily on the fair value of the subsidiary's investments. The valuation of the Company's investments is the most significant component of the balance sheet and the most important driver of total return. Management may seek to overstate the valuation of investments to maximise reported performance and net asset value per share.	We obtained an understanding of Management's processes and controls on deriving the fair value of investments by performing a walkthrough in which we evaluated the design of controls. We validated the prices used to value each security as at the balance sheet date, including those held by the subsidiary, to an independent pricing source and, where material, adjusted these prices for indexation. We reviewed Management's assessment demonstrating how the valuation of the Company's investment in subsidiary, and the valuation technique applied, complies with IFRS 13 Fair Value Measurement. We agreed the Net Asset Value ('NAV') of the Company's subsidiary used to derive the fair value of the subsidiary to its financial records as at the balance sheet date. We discussed with Management their rationale that no adjustments were necessary to the NAV of the Company's subsidiary in determining its fair value. In doing so, we validated that all securities had been reported in the NAV at fair value and that each security was liquid by inspecting observable bid/ask spreads, trading volumes or other liquidity measurements. Moreover, we read the subsidiary's Limited Liability Company Agreement and verified that there were no restrictions on making distributions to the Company on the assumption that the subsidiary remains solvent.	We reported that there were no matters identified during our audit work to indicate that the valuation of investments is materially misstated.

Independent Auditor's Report to the Members of Aberdeen Latin American Income Fund Limited continued

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 for the Company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Company and effectiveness of controls, including controls and changes in the business environment when assessing the level of work to be performed. All audit work was performed directly by the audit engagement team.

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

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 £478,000 (2018: £425,000), which is 1% (2018: 1%) of the Net Asset Value of the Company. We believe that the Net Asset Value of the Company is the most important metric to shareholders and this is in line with the expectations of market participants for determining materiality for investment companies.

Performance materiality

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% (2018: 75%) of our planning materiality, namely £358,000 (2018: £319,000). We have set performance materiality at this percentage due to our past experience of the audit that indicates a lower risk of misstatements, both corrected and uncorrected.

Reporting threshold

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 £24,000 (2018: £21,000), 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.

In this context, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

- **Fair, balanced and understandable set out on page 40** – the statement given by the directors that they consider the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy, is materially inconsistent with our knowledge obtained in the audit; or
- **Audit committee reporting set out on pages 34-36** – the section describing the work of the audit committee does not appropriately address matters communicated by us to the audit committee; or
- **Directors' statement of compliance with the UK Corporate Governance Code set out on page 40** – the parts of the directors' statement required under the Listing Rules relating to the Company's compliance with the UK Corporate Governance Code containing provisions specified for review by the auditor in accordance with Listing Rule 9.8.10R(2) do not properly disclose a departure from a relevant provision of the UK Corporate Governance Code.

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 (Jersey) Law 1991 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 40, 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.

Independent Auditor's Report to the Members of Aberdeen Latin American Income Fund Limited continued

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. 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.

David Robert John Moore, ACA
for and on behalf of Ernst & Young LLP
Jersey, Channel Islands
6 November 2019

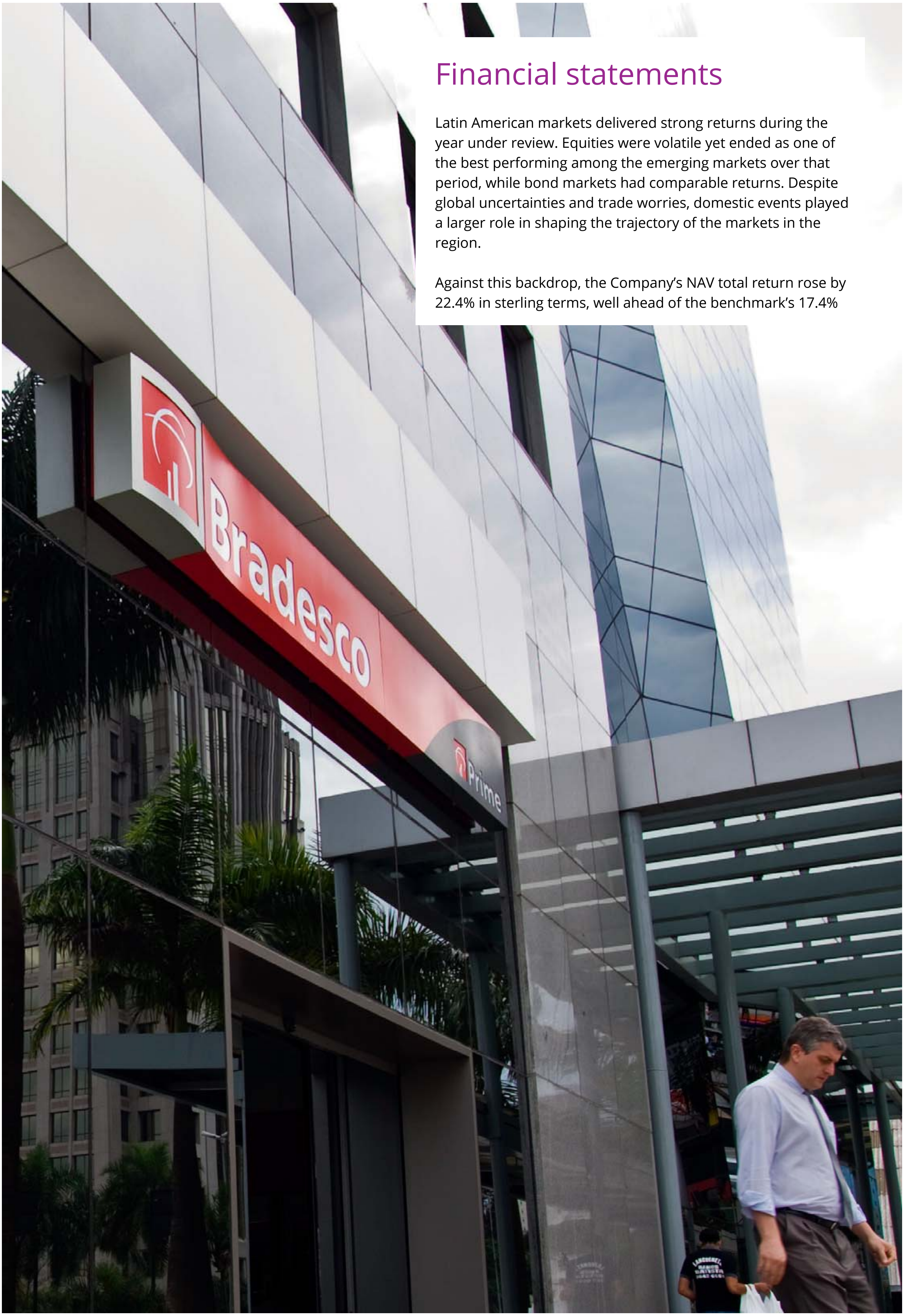
Notes:

1. The maintenance and integrity of the Aberdeen Latin American Income Fund Limited web site 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 the Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Financial statements

Latin American markets delivered strong returns during the year under review. Equities were volatile yet ended as one of the best performing among the emerging markets over that period, while bond markets had comparable returns. Despite global uncertainties and trade worries, domestic events played a larger role in shaping the trajectory of the markets in the region.

Against this backdrop, the Company's NAV total return rose by 22.4% in sterling terms, well ahead of the benchmark's 17.4%



Statement of Comprehensive Income

	Notes	Year ended 31 August 2019 Revenue £'000	Capital £'000	Total £'000	Year ended 31 August 2018 Revenue £'000	Capital £'000	Total £'000
Income							
Income	4	3,230	–	3,230	3,095	–	3,095
Realised losses on financial assets held at fair value through profit or loss		–	(2,939)	(2,939)	–	(11,777)	(11,777)
Unrealised gains/(losses) on financial assets held at fair value through profit or loss		–	9,821	9,821	–	(266)	(266)
Realised currency losses		–	(38)	(38)	–	(21)	(21)
Unrealised currency gains		–	83	83	–	65	65
Realised losses on forward foreign currency contracts		–	(59)	(59)	–	(103)	(103)
(Losses)/gains on forward foreign currency contracts		–	(49)	(49)	–	61	61
		3,230	6,819	10,049	3,095	(12,041)	(8,946)
Expenses							
Investment management fee	5	(213)	(320)	(533)	(222)	(333)	(555)
Other operating expenses	6	(411)	–	(411)	(473)	–	(473)
Profit/(loss) before finance costs and taxation		2,606	6,499	9,105	2,400	(12,374)	(9,974)
Finance costs		(49)	(73)	(122)	(42)	(63)	(105)
Profit/(loss) before taxation		2,557	6,426	8,983	2,358	(12,437)	(10,079)
Taxation	7	(32)	35	3	(45)	(171)	(216)
Profit/(loss) for the year		**2,525**	**6,461**	**8,986**	**2,313**	**(12,608)**	**(10,295)**
Earnings per Ordinary share (pence)	9	**4.27**	**10.93**	**15.20**	**3.78**	**(20.62)**	**(16.84)**

The profit/(loss) for the year is also the comprehensive income for the year.

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

All items in the above statement derive from continuing operations.

The accompanying notes are an integral part of these financial statements.

Balance Sheet

	Notes	As at 31 August 2019 £'000	As at 31 August 2018 £'000
Non-current assets			
Investments held at fair value through profit or loss	10	53,327	48,277
Current assets			
Cash		459	411
Forward foreign currency contracts		62	96
Other receivables		392	442
Total current assets		913	949
Total assets		54,240	49,226
Current liabilities			
Bank loan	11	(6,000)	(6,500)
Forward foreign currency contracts		(111)	(35)
Other payables		(238)	(195)
Total current liabilities		(6,349)	(6,730)
Non-current liabilities			
Deferred tax liability on Mexican capital gains	7	(136)	(171)
Net assets		**47,755**	**42,325**
Equity capital and reserves			
Equity capital	12	65,936	65,936
Capital reserve	13	(20,885)	(25,861)
Revenue reserve		2,704	2,250
Equity Shareholders' funds		**47,755**	**42,325**
Net asset value per Ordinary share (pence)	14	**82.34**	**70.34**

The financial statements were approved by the Board of Directors and authorised for issue on 6 November 2019 and were signed on its behalf by:

Richard Prosser
Chairman

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Equity

Year ended 31 August 2019

	Notes	Stated capital £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 September 2018		65,936	(25,861)	2,250	42,325
Profit for the year		–	6,461	2,525	8,986
Dividends paid	8	–	–	(2,071)	(2,071)
Purchase of own shares		–	(1,485)	–	(1,485)
Balance at 31 August 2019		**65,936**	**(20,885)**	**2,704**	**47,755**

Year ended 31 August 2018

	Notes	Stated capital £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 1 September 2017		65,936	(11,846)	2,080	56,170
(Loss)/profit for the year		–	(12,608)	2,313	(10,295)
Dividends paid	8	–	–	(2,143)	(2,143)
Purchase of own shares		–	(1,407)	–	(1,407)
Balance at 31 August 2018		**65,936**	**(25,861)**	**2,250**	**42,325**

The accompanying notes are an integral part of the financial statements.

Cash Flow Statement

	Year ended 31 August 2019 £'000	Year ended 31 August 2018 £'000
Dividend income	530	508
Fixed interest income	1,508	1,510
Income from Subsidiary	1,107	1,190
Interest income	4	2
Investment management fee paid	(525)	(522)
Other paid expenses	(336)	(508)
Cash generated from operating activities before finance costs and taxation	2,288	2,180
Interest paid	(122)	(104)
Withholding taxes paid	(40)	(42)
Net cash inflow from operating activities	2,126	2,034
Cash flows from investing activities		
Purchases of investments	(4,827)	(7,853)
Proceeds from sales of investments	7,581	8,483
(Payments to)/receipts from Subsidiary	(778)	651
Net cash inflow from investing activities	1,976	1,281
Cash flows from financing activities		
Equity dividends paid	(2,071)	(2,143)
Repurchase of own shares	(1,469)	(1,415)
Loan repaid	(500)	–
Net cash outflow from financing activities	(4,040)	(3,558)
Net increase/(decrease) in cash	62	(243)
Foreign exchange	(14)	1
Cash at start of year	411	653
Cash and cash equivalents at end of year	**459**	**411**

The accompanying notes are an integral part of the financial statements.

Notes to the Financial Statements

For the year ended 31 August 2019

1. Principal activity

The Company is a closed-end investment company incorporated in Jersey, and its shares are traded on the London Stock Exchange and are listed in the premium segment of the Financial Conduct Authority's Official List. The Company's principal activity is investing in Latin American securities.

The principal activity of its Delaware incorporated wholly owned subsidiary, Aberdeen Latin American Income Fund LLC, is similar in all relevant respects to that of its parent.

2. Accounting policies

(a) Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 August 2019.

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standards Board (IASB). The financial statements have been prepared on a historical-cost basis, except for financial assets and financial liabilities held at fair value through profit or loss.

The Directors believe that the Company has adequate resources to continue in operational existence for the foreseeable future and, for this reason, they continue to adopt the going concern basis in preparing the financial statements.

The Company's financial statements are presented in sterling, which is also the functional currency as it is the currency in which shares are issued and expenses are generally paid. All values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

Where presentational guidance set out in the Statement of Recommended Practice ("SORP"): 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued by the Association of Investment Companies ("AIC"), is consistent with the requirements of IFRS, the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the SORP issued in November 2017 and updated in February 2018 with consequential amendments (applicable for accounting periods beginning on or after 1 January 2019 but adopted early).

Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with IFRS requires the use of certain significant accounting judgements, estimates and assumptions which requires management to exercise its judgement in the process of applying the accounting policies. Management have identified one such judgement and one such estimate in preparing the financial statements.

Accounting judgement – Application of IFRS 10: Assessment of investment entity

One of the key areas for consideration has been the application of IFRS 10 'Consolidated Financial Statements' including the Amendments, 'Investment entities (Amendments to IFRS 10, IFRS 12 and IAS 27) (Investment Entity Amendments)'. The standard requires entities that meet the definition of an investment entity to fair value certain subsidiaries through profit or loss in accordance with IFRS 9 'Financial Instruments', rather than consolidate their results. However, entities which are not themselves investment entities and provide investment related services to the Company will continue to be consolidated.

Entities which meet the definition of an investment entity are required to fair value subsidiaries through profit or loss rather than consolidate them. An investment entity meets the definition of an investment entity if it satisfies the following three criteria:

(i) an entity obtains funds from one or more investors for the purpose of providing those investors with investment services; the Company provides investment services and has several investors who pool funds to gain access to these services and investment opportunities which they might not be able to as individuals.

(ii) an entity commits to its investors that its business purpose is to the investment in its subsidiary solely for capital appreciation, investment income, or both; the Company's investment objective is to provide Ordinary Shareholders with a total return, with an above average yield, primarily through investing in Latin American securities.

(iii) an entity measures and evaluates the performance of substantially all of its investments on a fair value basis; the Company has elected to measure and evaluate the performance of all of its investments on a fair value basis. The fair value basis is used to present the Company's performance in its communication with the market and the primary measurement attribute to evaluate performance of all of its investments and to make investment decisions.

The Company meets the definition of an investment entity, and, therefore, all investments in subsidiaries are recorded at fair value through profit or loss.

Accounting judgement – Fair value of the Subsidiary

The Directors conclude that the net asset value of the wholly owned Subsidiary is considered to be its fair value for financial reporting purposes based on the Subsidiary's portfolio of investments being liquid and there being no significant restrictions on the transfer of funds to the parent company.

New and amended standards and interpretations

The Company applied, for the first time, certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2018. The nature and impact is described below:

IFRS 9 'Financial Instruments'

The Company adopted IFRS 9 'Financial Instruments' on 1 September 2018. IFRS 9 replaces IAS 39 'Financial Instruments: Recognition and Measurement' and introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is not applicable to items that have already been derecognised at 31 August 2018.

The Company classifies its financial assets as subsequently measured at amortised cost or measured at FVTPL on the basis of both:

– the entity's business model for managing the financial assets; and

– the contractual cash flow characteristics of the financial asset.

Financial assets are measured at FVTPL if its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding or it is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

Financial assets are measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(i) Classification and measurement

The Company has assessed the classification of financial instruments as at the date of initial application and has applied such classification retrospectively.

Under IAS 39, investments were designated at FVTPL as they were considered to form part of the group of financial assets that are managed and had their performance evaluated on a fair value basis. All financial assets previously held at fair value continue to be measured at fair value.

Under IFRS 9, debt instruments are classified as FVTPL because they are held under a business model to manage them on a fair value basis for investment income and fair value gains. The business model, which is the determining feature, is such that the portfolio of investments is managed, and performance is evaluated, on a fair value basis. The Manager is also compensated based on the fair value of the Company's assets. Consequently, all investments are measured at FVTPL.

Equity instruments are classified as FVTPL because cash flows resulting from such instruments do not represent payments of principal and interest on the principal outstanding, and therefore they fail the contractual cash flows test.

Financial assets previously classified as loans and receivables under IAS 39 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest and are therefore still measured at amortised cost under IFRS 9.

The classification of financial liabilities under IFRS 9 remains broadly the same as under IAS 39. The main impact on measurement from the classification of liabilities under IFRS 9 relates to the element of gains or losses for financial liabilities designated as at FVTPL attributable to changes in credit risk. IFRS 9 requires that such element be recognised in other comprehensive income (OCI) unless this treatment creates or enlarges an accounting mismatch in profit or loss, in which case all gains and losses on that liability (including the effect) of changes in credit risk) should be presented in profit or loss. The Company has not designated any financial liabilities at FVTPL. Therefore, this requirement has not had an impact on the Company.

(ii) Impairment

Under IAS 39, the Company provided impairment on receivables only if there was objective evidence of impairment (incurred loss credit). IFRS 9 requires the Company to record expected credit losses ("ECLs") on all of its cash and receivables, measured at amortised cost, either on a twelve months or lifetime basis. Given the limited exposure of the Company to credit risk, this amendment has not had a material impact on the financial statements. The Company only holds receivables which have maturities of less than twelve months at amortised cost and therefore has adopted an approach similar to the simplified approach to ECLs.

(iii) Hedge accounting

The Company has not applied hedge accounting under IAS 39 nor will it apply hedge accounting under IFRS 9.

Impact of adoption of IFRS 9

The classification and measurement requirements of IFRS 9 have been adopted retrospectively as of the date of initial application on 1 September 2018, however, the Company has chosen to take advantage of the option not to restate comparatives. Therefore, the 2018 figures are presented and measured under IAS 39. The following table shows the original measurement categories in accordance with IAS 39 and the new measurement categories under IFRS 9 for the Company's financial assets and liabilities as at 1 September 2018.

Financial assets

1 September 2018	IAS 39 classification	IAS 39 measurement £'000	IFRS 9 classification	IFRS 9 measurement £'000
Equity instruments	Designated at FVTPL	32,696	FVTPL	32,696
Debt instruments	Designated at FVTPL	15,581	FVTPL	15,581
Forward foreign currency contracts	Designated at FVTPL	96	FVTPL	96
Trade and other receivables	Loans and receivables	442	Amortised cost	442
Cash and cash equivalents	Loans and receivables	411	Amortised cost	411

Financial liabilities

1 September 2018	IAS 39 classification	IAS 39 measurement £'000	IFRS 9 classification	IFRS 9 measurement £'000
Bank loans	Amortised cost	6,500	Amortised cost	6,500
Forward foreign currency contracts	Designated at FVTPL	35	FVTPL	35
Trade and other payables	Other financial liabilities	195	Amortised cost	195
Deferred taxation on Mexican capital gains	Other financial liabilities	171	Amortised cost	171

In line with the characteristics of the Company's financial instruments as well as its approach to their management, the Company neither revoked nor made any new designations on the date of initial application. IFRS 9 has not resulted in changes in the carrying amount of the Company's financial instruments due to changes in measurement categories. All financial assets that were classified as FVTPL under IAS 39 are still classified as FVTPL under IFRS 9. All financial assets that were classified as loans and receivables and measured at amortised cost continue to be so.

IFRS 15 'Revenue from contracts with customers'

The Company adopted IFRS 15 'Revenue from contracts with customers' on 1 September 2018. IFRS 15 replaces IAS 18 'Revenue' and establishes a five-step model to account for revenue arising from contracts with customers. In addition, guidance on interest and dividend income have been moved from IAS 18 to IFRS 9 without significant changes to the requirements. Therefore, there was no impact of adopting IFRS 15 for the Company.

Future amendments to Standards and Interpretations

At the date of authorisation of these financial statements, the following amendments to Standards and Interpretations were assessed to be relevant and are all effective for annual periods beginning on or after 1 January 2019:

IFRIC 23 – Uncertainty over Income Tax Treatments – The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12.

At the date of authorisation of these financial statements, the following Standards and Interpretations were assessed to be relevant and are effective for annual periods beginning on or after 1 January 2020:

IAS 1 and IAS 8 Amendments – Definition of Material

IAS 1, 8, 34, 37, 38 and IFRS 2, 3, 6, 14 – Amendment to references to the conceptual framework

IFRS 3 Amendment – Definition of a Business

IFRIC 12, 19, 20, 22 and SIC 32 – Amendment to references to the conceptual framework

In addition, under the Annual Improvements to IFRSs 2015 – 2017 Cycle, a number of Standards are included for annual periods beginning on or after 1 January 2019.

The Company intends to adopt the Standards and Interpretations in the reporting period when they become effective and the Board does not anticipate that the adoption of these Standards and Interpretations in future periods will materially impact the Company's financial results in the period of initial application although there may be revised presentations to the Financial Statements and additional disclosures.

(b) Income

Dividend income from equity investments is recognised on the ex-dividend date. Dividend income from equity investments where no ex-dividend date is quoted are recognised when the Company's right to receive payment is established. Where the Company has elected to receive dividends in the form of additional shares rather than in cash, the amount of the cash dividend foregone is recognised as income. Special dividends are recognised as capital or revenue according to their circumstances.

The fixed returns on debt instruments are recognised using the time apportioned accruals basis.

(c) Expenses and interest payable

All expenses, with the exception of interest, which is recognised using the effective interest method, are recognised on an accruals basis. Expenses are charged to the revenue column of the Statement of Comprehensive Income except as follows:

– costs incidental to the issue of new shares as defined in the Prospectus are charged to capital;

– expenses resulting from the acquisition or disposal of an investment are charged to the capital column of the Statement of Comprehensive Income; and

– expenses are charged to the capital column of the Statement of Comprehensive Income where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. The Company charges 60% of investment management fees and finance costs to capital, in accordance with the Board's estimate of expected long-term return in the form of capital gains and income respectively from the investment portfolio of the Company.

(d) Taxation

Profits arising in the Company for the year ended 31 August 2019 will be subject to Jersey income tax at the rate of 0% (2018 – 0%).

Investment income and capital gains are subject to withholding tax deducted at the source of the income. The Company presents the withholding tax separately from the gross investment income in the Statement of Comprehensive Income under taxation.

Deferred tax is recognised in respect of all temporary differences at the Balance Sheet date, where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the Balance Sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the temporary differences can be deducted. Deferred tax assets and liabilities are measured at the rates applicable to the legal jurisdictions in which they arise, using enacted tax rates that are expected to apply at the date the deferred tax position is unwound.

(e) Investments held at fair value through profit or loss

With effect from 1 September 2018, the Company has adopted the classification and measurement provisions of IFRS 9 'Financial Instruments' which replaces IAS 39 'Financial Instruments: Recognition and Measurement' and was the policy effective prior to date that. As noted in 2(a) above IFRS 9 makes changes to classification and measurement of financial assets and introduces an 'expected credit loss' model for the impairment of financial assets.

The adoption of IFRS 9 did not result in any change to the classification or measurement of financial instruments in either the current or prior year. The Company's investments remain classified as FVTPL. Under IAS 39 the Company carried its investments at FVTPL under a designation option; on adoption of IFRS 9, the investments are classified as FVTPL. As per the accounting policy disclosure in the 2018 annual report, under IAS 39 purchases of investments were recognised on a trade-date basis and designated upon initial recognition as held at fair value through profit or loss. All investments were considered to form part of a group of financial assets and subsequently measured on a fair value basis, in accordance with the Company's documented investment strategy, and information about the Company was provided internally on that basis. These investments also include inflation-linked bonds which were considered to be compound financial instruments. Proceeds were measured at fair value, which was regarded as the proceeds of sale less any transaction costs. Sales of investments were also recognised on a trade date basis.

The Company classifies its investments based on their contractual cash flow characteristics and the Company's business model for managing the assets. The business model, which is the determining feature for debt instruments, is such that the portfolio of investments is managed, and performance is evaluated, on a fair value basis. The Manager is also compensated based on the fair value of the Company's assets. Equity instruments are classified as FVTPL because cash flows resulting from such instruments do not represent payments of principal and interest on the principal outstanding, and therefore they fail the contractual cash flows test. Consequently, all investments are measured at FVTPL.

Purchases and sales of investments are recognised on a trade date basis. Proceeds are measured at fair value, which is regarded as the proceeds of sale less any transaction costs.

Changes in the value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the Statement of Comprehensive Income as "Gains/(losses) on investments held at fair value through profit or loss". Also included within this caption are transaction costs in relation to the purchase or sale of investments, including the difference between the purchase price of an investment and its bid price at the date of purchase.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value is derived from unadjusted quoted bid prices in active markets, with the exception of inflation-linked bonds whose quoted bid prices are adjusted for indexation arising from the movement of the consumer prices index for the relevant country of issue of the bond. The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

(f) Cash and cash equivalents

Cash comprises cash at banks and short-term deposits.

(g) Other receivables

Financial assets previously classified as loans and receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. As such they are measured at amortised cost. Other receivables do not carry any interest and they have been assessed for any expected credit losses over their lifetime due to their short-term nature.

(h) Other payables

The classification of financial liabilities under IFRS 9 remains broadly the same as under IAS 39. Other payables are non interest bearing and are stated at amortised cost.

(i) Nature and purpose of reserves

Capital reserve

This reserve reflects any gains or losses on investments realised in the period along with any movement in the fair value of investments held that have been recognised in the Statement of Comprehensive Income. These include gains and losses from foreign currency exchange differences.

Additionally, expenses, including finance costs, are charged to this reserve in accordance with Note 2(c) above.

When the Company purchases its Ordinary shares to be held in treasury and for cancellation, the amount of the consideration paid, which includes directly attributable costs, is net of any tax effect, and is recognised as a deduction from the capital reserve. Should these shares be sold subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to or from the capital reserve.

Revenue reserve

This reserve reflects all income and costs which are recognised in the revenue column of the Statement of Comprehensive Income less dividends which have been paid.

(j) Foreign currency

Monetary assets and liabilities denominated in foreign currencies are converted into sterling at the rate of exchange ruling at the reporting date. The financial statements are presented in sterling, which is the Company's functional and presentation currency. The Company's performance is evaluated and its liquidity is managed in sterling. Therefore sterling is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. Transactions during the year involving foreign currencies are converted at the rate of exchange ruling at the transaction date. Gains or losses arising from a change in exchange rates subsequent to the date of a transaction are included as a currency gain or loss in revenue or capital in the Statement of Comprehensive Income, depending on whether the gain or loss is of a revenue or capital nature.

(k) Bank loans

The Company has adopted the classification and measurement provisions of IFRS 9 'Financial Instruments' which replaces IAS 39 'Financial Instruments: Recognition and Measurement'. Borrowings are measured at amortised cost using the effective interest rate method. No impact on the classification or measurement of borrowings has arisen due to the adoption of IFRS 9.

Borrowings are stated at the amount of the net proceeds immediately after draw down plus cumulative finance costs less cumulative payments. The finance cost of borrowings is allocated to years over the term of the debt at a constant rate on the carrying amount and charged 40% to revenue and 60% to capital to reflect the Company's investment policy and prospective revenue and capital growth.

(l) Derivative financial instruments

The Company may use forward foreign exchange contracts to manage currency risk arising from investment activity.

Derivatives are measured at fair value calculated by reference to forward exchange rates for contracts with similar maturity profiles.

Changes in the fair value of derivatives are recognised in the Statement of Comprehensive Income as revenue or capital depending on their nature.

(m) Dividends payable

Interim dividends payable are recognised in the financial statements in the period in which they are paid.

3. Segmental reporting

The Company is engaged in a single segment of business. For management purposes, the Company is organised into one main operating segment, which invests in equity securities, debt instruments and related derivatives. All of the Company's activities are viewed on a portfolio wide basis and are interrelated, with each activity dependent on the others. Accordingly, all significant operating decisions are based on the Company as one segment.

The following table analyses the Company's income, including income derived from the Subsidiary's investments, by geographical location. The basis for attributing the income is the place of incorporation of the instrument's investment, however, where the Company invests in ADR designated securities the underlying geographic location is considered to be the basis.

	2019 £'000	2018 £'000
Argentina	511	235
Brazil	1,376	1,401
Chile	57	61
Columbia	213	266
Mexico	691	607
Peru	129	137
Uruguay	249	386
United Kingdom	4	2
	3,230	**3,095**

The Company's income (including that generated by its Subsidiary's investments) comprises 28% (2018 – 28%) from equities and 72% (2018 – 72%) from fixed income securities.

4. Income

	2019 £'000	2018 £'000
Income from investments		
Dividend income	511	545
Fixed interest income	1,534	1,409
Income from Subsidiary	1,181	1,139
	3,226	3,093
Other income		
Deposit interest	4	2
	3,230	**3,095**

The Company owns 100% of the share capital of its Subsidiary. The Company receives income from its Subsidiary and there are no significant restrictions on the transfer of funds to or from the Subsidiary. During the year net revenue of £1,181,000 (2018 – £1,139,000) was generated by the Subsidiary.

5. Investment management fee

The Company had an agreement with APWML (ASCIL with effect from 30 September 2019) for the provision of management services during the year. Portfolio management services have been delegated by APWML to AAML during the year (ASCIL with effect from 30 September 2019).

The management fee is based on an annual rate of 1% of the NAV of the Company, valued monthly. The agreement is terminable on one year's notice. The balance due to APWML (ASCIL with effect from 30 September 2019) at the year end was £93,000 (2018 – £85,000). Investment management fees are charged 40% to revenue and 60% to capital.

6. Other operating expenses

	2019 £'000	2018 £'000
Directors' fees	92	82
Promotional activities	24	41
Secretarial and administration fee	73	96
Auditor's remuneration:		
– fees payable for the audit of the annual accounts	32	32
Legal and advisory fees	12	34
Custodian and overseas agents' charges	60	69
Broker fees	30	30
Stock exchange fees	20	20
Registrar's fees	22	22
Printing	18	18
Other	28	29
	411	**473**

The Company has an agreement with AAML for the provision of promotional activities. The total fees incurred under the agreement during the year were £24,000 (2018 – £41,000), of which £4,000 (2018 – £7,000) was due to AAML at the year end.

The Company's management agreement with APWML (ASCIL with effect from 30 September 2019) provides for the provision of company secretarial and administration services. This agreement has been sub–delegated to Aberdeen Asset Managers Limited. APWML (ASCIL with effect from 30 September 2019) is entitled to an annual fee of £122,000 (2018 – £118,000) which increases annually in line with any increase in the UK Retail Price Index. A balance of £42,000 (2018 – £7,000) was due to APWML (ASCIL with effect from 30 September 2019) at the year end.

The Manager has agreed to ensure that the Company's ongoing charges ratio ("OCR") will not exceed 2.0% when calculated annually as at 31 August. As the OCR exceeded 2.0% for the year ended 31 August 2019, the Manager has agreed to rebate £49,000 (2018 – £22,000) of the secretarial and administration fee in order to bring the OCR down to 2.0%.

7. Taxation

	2019			2018		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Analysis of charge for the year						
Overseas tax suffered	32	–	32	45	–	45
Total current tax charge for the year	32	–	32	45	–	45
Deferred tax liability on Mexican capital gains	–	(35)	(35)	–	171	171
Total tax charge for the year	32	(35)	(3)	45	171	216

The Company has provided for a deferred tax liability on Mexican capital gains at 31 August 2019 of £136,000 (2018 – £171,000).

8. Dividends on equity shares

	2019 £'000	2018 £'000
Distributions to equity holders in the period:		
Fourth interim dividend for 2018 – 0.875p (2017 – 0.875p) per Ordinary share	526	543
First interim dividend for 2019 – 0.875p (2018 – 0.875p) per Ordinary share	521	540
Second interim dividend for 2019 – 0.875p (2018 – 0.875p) per Ordinary share	514	531
Third interim dividend for 2019 – 0.875p (2018 – 0.875p) per Ordinary share	510	529
	2,071	**2,143**

The fourth interim dividend for the year of 0.875p per Ordinary share has not been included as a liability in these financial statements as it was announced and paid after 31 August 2019.

9. Earnings per Ordinary share

The basic earnings or loss per Ordinary share is based on the profit for the year of £8,986,000 (2018 loss – £10,295,000) and on 59,116,420 (2018 – 61,152,947) Ordinary shares, being the weighted average number of Ordinary shares in issue during the year.

The basic earnings per Ordinary share detailed above can be further analysed between revenue return and capital return as follows:

Notes to the Financial Statements continued

Basic	2019 Revenue	2019 Capital	2019 Total	2018 Revenue	2018 Capital	2018 Total
Profit/(loss) (£'000)	2,525	6,461	8,986	2,313	(12,608)	(10,295)
Weighted average number of Ordinary shares in issue ('000)			59,116			61,153
Return per Ordinary share (pence)	4.27	10.93	15.20	3.78	(20.62)	(16.84)

10. (a)

Investments held at fair value through profit or loss	Year ended 31 August 2019 Quoted bonds & Equities £'000	Year ended 31 August 2019 Investment in Subsidiary £'000	Year ended 31 August 2019 Total £'000	Year ended 31 August 2018 Quoted bonds & Equities £'000	Year ended 31 August 2018 Investment in Subsidiary £'000	Year ended 31 August 2018 Total £'000
Opening book cost	32,470	15,300	47,770	33,535	17,141	50,676
Opening investment holdings fair value gains/(losses)	(2,097)	2,604	507	2,968	8,177	11,145
Opening valuation	30,373	17,904	48,277	36,503	25,318	61,821
Movements in the year:						
Purchases	4,959	–	4,959	7,158	–	7,158
Sales proceeds	(7,643)	–	(7,643)	(7,957)	–	(7,957)
Payments to/(receipts from) Subsidiary by Company	–	778	778	–	(651)	(651)
Realised losses on financial assets held at fair value through profit or loss	(2,939)	–	(2,939)	(11,777)	–	(11,777)
(Decrease)/increase in investment holdings fair value gains/(losses)	3,722	6,099	9,821	6,446	(6,712)	(266)
Net income generated in Subsidiary	–	1,181	1,181	–	1,139	1,139
Cash transfer from Subsidiary to Parent (Income from Subsidiary)	–	(1,107)	(1,107)	–	(1,190)	(1,190)
Closing valuation	**28,472**	**24,855**	**53,327**	**30,373**	**17,904**	**48,277**

	£'000	£'000	£'000	£'000	£'000	£'000
Closing book cost	27,606	14,971	42,577	32,470	15,300	47,770
Closing investment holdings fair value gains	866	8,703	9,569	(2,097)	1,465	(632)
Net income generated in Subsidiary	–	1,181	1,181	–	1,139	1,139
Closing valuation	**28,472**	**24,855**	**53,327**	**30,373**	**17,904**	**48,277**

(b) **Investment in Subsidiary**

The Company holds 100% of the share capital of its Subsidiary. The Company meets the definition of an investment entity, therefore it does not consolidate its Subsidiary but recognises it as an investment at fair value through profit or loss. The fair value of the Subsidiary is based on its net assets which comprises investments held at fair value, cash, income receivable and other receivables/payables. The Company receives income from its Subsidiary and there are no significant restrictions on the transfer of funds to or from the Subsidiary. During the year the Company made a net transfer to the Subsidiary of £778,000 (2018 – receipt of £651,000).

(c) **Transaction costs**

During the year, expenses were incurred in acquiring or disposing of investments classified as fair value through profit or loss. The total costs were as follows:

	Year ended 31 August 2019 £'000	Year ended 31 August 2018 £'000
Purchases	8	5
Sales	7	3
	15	**8**

The above transaction costs are calculated in line with the AIC SORP. The transaction costs in the Company's Key Information Document are calculated on a different basis and in line with the PRIIPs regulations.

11. Creditors: amounts falling due within one year

Bank loan

The Company has a £8 million (2018 – £8 million) three year unsecured revolving multi–currency loan facility with Scotiabank (Ireland) Designated Activity Company expiring on 15 August 2020. At the year end £6,000,000 was drawn down (2018 – £6,500,000) under the facility, fixed to 16 September 2019 at an all-in rate of 1.785630%.

At the date this Report was approved, £6,000,000 was drawn down under this facility and fixed to 18 November 2019 at an all-in rate of 1.78675%.

Under the terms of the loan facility the Company's borrowings must not exceed 25% of adjusted NAV. Adjusted NAV is defined as total net assets less, inter alia, the aggregate of all excluded assets, excluded assets being, without double counting, the value of any unquoted assets, all investments issued by a single issuer in excess of 15% of total NAV, all Brazilian and Mexican bonds in excess of 30%, any MSCI Industry category in excess of 25% and cash, and any shortfall in cash, equities and investment Grade bonds below 70%.

The Directors are of the opinion that there is no significant difference between the carrying value and fair value of the bank loan due to its short term nature.

12. Stated capital

	2019 Number	2019 £'000	2018 Number	2018 £'000
Issued and fully paid – Ordinary shares				
Balance brought forward	60,175,324	65,936	62,137,824	65,936
Ordinary shares bought back in the period	(2,175,000)	–	(1,962,500)	–
Balance carried forward	**58,000,324**	**65,936**	**60,175,324**	**65,936**

	2019 Number	2019 £'000	2018 Number	2018 £'000
Issued and fully paid – Treasury shares				
Balance brought forward	6,107,500	–	4,435,000	–
Ordinary shares bought back in the period	–	–	1,672,500	–
Balance carried forward	**6,107,500**	**–**	**6,107,500**	**–**
Stated capital	**64,107,824**	**65,936**	**66,282,824**	**65,936**

The Company's Ordinary shares have no par value. The number of Ordinary shares authorised for issue is unlimited.

During the year the Company bought back 2,175,000 (2018 – 290,000) Ordinary shares at a cost of £1,485,000 (2018 – £188,000) for cancellation. No Ordinary shares (2018 – 1,672,500 at a cost of £1,219,000) were bought back for treasury.

Shares held in treasury consisting of 6,107,500 (2018 – 6,107,500) Ordinary shares represent 9.53% (2018 – 9.21%) of the Company's total issued share capital at 31 August 2019.

The Ordinary shares are entitled to all of the capital growth in the Company's assets and to all the income from the Company that is resolved to be distributed.

13. Capital reserve

	2019 £'000	2018 £'000
At beginning of year	(25,861)	(11,846)
Net currency gains	45	44
Forward foreign currency contracts losses	(108)	(42)
Movement in investment holdings fair value gains/(losses)	9,821	(11,777)
Loss on sales of investments	(2,939)	(266)
Capitalised expenses	(358)	(567)
Purchase of own shares	(1,485)	(1,407)
At end of year	**(20,885)**	**(25,861)**

14. Net asset value per Ordinary share

Net asset value per Ordinary share is based on a net asset value of £47,755,000 (2018 – £42,325,000) and on 58,000,324 (2018 – 60,175,324) Ordinary shares, being the number of Ordinary shares issued and outstanding at the year end.

15. Risk management policies and procedures

The Company, and through its Subsidiary, invests in equities and sovereign bonds for the long term so as to achieve its objective as stated on page 3. In pursuing its investment objective, the Company is exposed to a variety of financial risks that could result in a reduction in the Company's net assets and a reduction in the revenue available for distribution by way of dividends. The Company entered into forward foreign currency contracts for the purpose of hedging short term foreign currency cash flows consistent with its investment policy. As at 31 August 2019 there were 12 open positions in derivatives transactions (2018 – 9) details of which can be found on page 68. The Company has not entered into forward foreign currency contracts for the purpose of hedging fair values as at each reporting date.

The Directors conclude that it is appropriate to present the financial risk disclosures of the Company and its wholly owned Subsidiary in combination as this accurately reflects how the Company uses its Subsidiary to carry out its investment activities, including those relating to portfolio allocation and risk management.

These financial risks of the Company and its Subsidiary are market risk (comprising market price risk, currency risk and interest rate risk), liquidity risk and credit risk, and the Directors' approach to the management of these risks, are set out below. The Board of Directors is responsible for the Company's risk management. The overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Board determines the objectives, policies and processes for managing the risks that are set out below, under the relevant risk category and relies upon AAML's system of internal controls. The policies for the management of each risk are unchanged from the previous accounting period.

(a) Market risk

The fair value of a financial instrument held by the Company and its Subsidiary may fluctuate due to changes in market prices. Market risk comprises – market price risk (see note 15(b)), currency risk (see note 15(c)) and interest rate risk (see note 15(d)). The Investment Manager assesses the exposure to market risk when making each investment decision, and monitors the overall level of market risk on the whole of the investment portfolio on an ongoing basis.

(b) Market price risk

Market price risks (i.e. changes in market prices other than those arising from interest rate risk or currency risk) may affect the value of the quoted investments.

Management of the risk

The Board monitors the risks inherent in the investment portfolio by ensuring full and timely access to relevant information from the Investment Manager. The Board meets regularly and at each meeting reviews investment performance. The Board monitors the Investment Manager's compliance with the Company's objectives, and is directly responsible for oversight of the investment strategy and asset allocation.

Concentration of exposure to market price risk

A geographical analysis of the Company's and Subsidiary's combined investment portfolio is shown on pages 19 to 21. This shows the significant amounts invested in Argentina, Brazil, Chile, Colombia, Mexico, and Peru. Accordingly, there is a concentration of exposure to those countries, though it is recognised that an investment's country of domicile or of listing does not necessarily equate to its exposure to the economic conditions in that country.

Market price sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and the equity to an increase or decrease of 10% (2018 – 10%) in the fair value of the Company's and its Subsidiary's investments. This level of change is considered to be reasonably possible based on observation of past and current market conditions. The sensitivity analysis is based on the Company's and its Subsidiary's investments at each balance sheet date and the investment management fees for the year ended 31 August 2019, with all other variables held constant.

	2019 Increase in fair value £'000	2019 Decrease in fair value £'000	2018 Increase in fair value £'000	2018 Decrease in fair value £'000
Statement of Comprehensive Income – return after tax				
Revenue return	(21)	21	(19)	19
Capital return	5,235	(5,235)	4,710	(4,710)
Impact on total return after tax for the year and net assets	**5,214**	**(5,214)**	**4,691**	**(4,691)**

(c) Currency risk

Most of the Company's and its Subsidiary's assets, liabilities and income are denominated in currencies other than sterling (the Company's functional currency, and in which it reports its results). As a result, movements in exchange rates may affect the sterling value of those items.

Management of the risk

The Investment Manager manages the Company's exposure to foreign currencies and reports to the Board on a regular basis.

The Investment Manager also manages the risk to the Company and its Subsidiary of the foreign currency exposure by considering the effect on the Company's NAV and income of a movement in the exchange rates to which the Company's and Subsidiary's assets, liabilities, income and expenses and those of its Subsidiary are exposed.

Income denominated in foreign currencies is converted into sterling on receipt. The Company and its Subsidiary do not use financial instruments to mitigate currency exposure in the period between the time that income is accrued in the financial statements and its receipt.

Foreign currency exposure

The table below shows, by currency, the split of the Company and Subsidiary's non-sterling monetary assets and investments that are denominated in currencies other than sterling. The exposure is shown on an aggregated basis and excludes forward currency contracts which are used for the purpose of ensuring the Company's foreign currency exposure is appropriately hedged.

2019	ARS £'000	BRL £'000	CLP £'000	COP £'000	MXN £'000	PEN £'000	UYU £'000	USD £'000
Debtors (due from brokers, dividends and other receivables)	26	155	4	44	217	6	39	106
Cash	–	1	69	–	9	–	–	–
Creditors (due to brokers, accruals and other creditors)	–	(40)	–	–	(161)	–	–	–
Total foreign currency exposure on net monetary items	26	116	73	44	65	6	39	106
Investments at fair value through profit or loss	877	28,601	2,207	2,597	11,488	1,883	3,116	2,025
Total net foreign currency exposure	**903**	**28,717**	**2,280**	**2,641**	**11,553**	**1,889**	**3,155**	**2,131**

2018	ARS £'000	BRL £'000	CLP £'000	COP £'000	MXN £'000	PEN £'000	UYU £'000	USD £'000
Debtors (due from brokers, dividends and other receivables)	42	144	–	113	189	6	55	104
Cash	–	16	3	–	5	–	–	(2)
Creditors (due to brokers, accruals and other creditors)	–	(88)	–	(2)	(171)	–	–	–
Total foreign currency exposure on net monetary items	42	72	3	111	23	6	55	102
Investments at fair value through profit or loss	1,469	21,375	2,097	3,882	11,792	1,787	3,826	1,900
Total net foreign currency exposure	**1,511**	**21,447**	**2,100**	**3,993**	**11,815**	**1,793**	**3,881**	**2,002**

Foreign currency sensitivity

The sensitivity of the total return after tax for the year and the net assets in regard to the movements in the Company's and its Subsidiary's foreign currency financial assets and financial liabilities and the exchange rates for the £/Argentine Peso (ARS), £/Brazilian Real (BRL), £/Chilean Peso (CLP), £/Colombian Peso (COP), £/Mexican Peso (MXN), £/Peruvian Nuevo Sol (PEN), £/Uruguayan Peso (UYU) and £/US Dollar (USD) are set out below. This sensitivity excludes forward currency contracts entered into for hedging short term cash flows.

It assumes the following changes in exchange rates:

£/Argentine Peso (ARS) +/-269% (2018 +/-246%) (maximum downside risk 100%)

£/Brazilian Real(BRL) +/-19% (2018 +/-4%)

£/Chilean Peso (CLP) +/-1% (2018 +/-17%)

£/Columbian Peso (COP) +/-8% (2018+/-17%)

£/Mexican Peso (MXN) +/-1% (2018 +/-4%)

£/Peruvian Nuevo Sol (PEN) +/-7% (2018 +/-14%)

£/Uruguayan Peso (UYU) +/-19% (2018+/-5%)

£/US Dollar (USD) +/-7% (2018 +/-15%)

These percentages have been determined based on the average market volatility in exchange rates in the previous 3 years and using the Company's and its Subsidiary's foreign currency financial assets and financial liabilities held at each balance sheet date.

For 2019, if sterling had weakened against the currencies shown, this would have had the following effect, with a strengthening of sterling having an equal and opposite effect with the exception of the Argentine Peso which is capped at 100% on the downside amounting to £26,000 for revenue returns and £877,000 for capital returns but on the upside revenue returns would increase by £70,000 and capital returns by £2,359,000:

2019	ARS £'000	BRL £'000	CLP £'000	COP £'000	MXN £'000	PEN £'000	UYU £'000	USD £'000
Statement of Comprehensive Income – return after tax								
Revenue return	(26)	(29)	–	(4)	(2)	–	(7)	(7)
Capital return	(877)	(5,427)	(23)	(208)	(113)	(132)	(592)	(142)
Impact on total return after tax for the year and net assets	**(903)**	**(5,456)**	**(23)**	**(212)**	**(115)**	**(132)**	**(599)**	**(149)**

For 2018, if sterling had weakened against the currencies shown, this would have had the following effect, with a strengthening of sterling having an equal and opposite effect with the exception of the Argentine Peso which is capped at 100% on the downside amounting to £42,000 for revenue returns and £1,469,000 for capital returns but on the upside revenue returns would increase by £103,000 and capital returns by £3,614,000:

2018	ARS £'000	BRL £'000	CLP £'000	COP £'000	MXN £'000	PEN £'000	UYU £'000	USD £'000
Statement of Comprehensive Income – return after tax								
Revenue return	(42)	(6)	–	(19)	(8)	(1)	(3)	(16)
Capital return	(1,469)	(852)	(357)	(660)	(465)	(250)	(191)	(285)
Impact on total return after tax for the year and net assets	**(1,511)**	**(858)**	**(357)**	**(679)**	**(473)**	**(251)**	**(194)**	**(301)**

Foreign exchange contracts

The Company has entered into derivative transactions, in the form of forward exchange contracts, to ensure that exposure to foreign denominated cashflows is appropriately hedged. The following forward contracts were outstanding at the Balance Sheet date:

Date of contract	Buy Currency	Sell Currency	Settlement date	Local Currency Amount '000	Contracted rate	Unrealised gain/(loss) 31 August 2019 £'000
04 June 2019	GBP	MXN	12 September 2019	610	24.4922	(24)
04 June 2019	USD	GBP	12 September 2019	638	1.2184	28
05 July 2019	GBP	USD	10 October 2019	1,336	1.2199	(44)
05 July 2019	MXN	GBP	10 October 2019	1,887	24.6403	(24)
11 July 2019	GBP	USD	10 October 2019	456	1.2199	(15)
11 July 2019	USD	MXN	10 October 2019	81	1.2199	3
26 July 2019	GBP	USD	10 October 2019	105	1.2199	(2)
15 August 2019	COP	USD	21 November 2019	1,241	0.0002	8
15 August 2019	MXN	GBP	10 October 2019	86	24.6403	(2)
15 August 2019	USD	BRL	21 November 2019	683	1.2217	18
16 August 2019	USD	PEN	21 November 2019	1,853	1.2217	5
21 August 2019	USD	GBP	10 October 2019	40	1.2199	–

Date of contract	Buy Currency	Sell Currency	Settlement date	Local Currency Amount '000	Contracted rate	Unrealised gain/(loss) 31 August 2018 £'000
03 July 2018	GBP	USD	11 October 2018	1,495	1.3019	(26)
03 July 2018	MXN	GBP	11 October 2018	1,446	25.0479	79
10 July 2018	USD	GBP	11 October 2018	339	1.3019	7
11 July 2018	GBP	MXN	11 October 2018	72	25.0479	(1)
13 July 2018	MXN	GBP	11 October 2018	246	25.0479	3
13 August 2018	GBP	USD	11 October 2018	427	1.3019	7
16 August 2018	COP	USD	27 November 2018	205	1.3046	(2)
16 August 2018	USD	PEN	27 November 2018	1,806	1.3046	(6)
22 August 2018	USD	GBP	11 October 2018	40	1.3019	–

The fair value of forward exchange contracts is based on forward exchange rates at the Balance Sheet date.

A sensitivity analysis of foreign currency contracts is not presented as the Directors conclude that these are not significant given the short duration of the contracts and expected volatility of the respective foreign exchange rates over the term of the contracts.

(d) Interest rate risk

Interest rate risk is the risk that arises from fluctuating interest rates. Interest rate movements may affect:

– the fair value of the investments in fixed interest rate securities;

– the level of income receivable on cash deposits;

– interest payable on the Company's variable interest rate borrowings.

The interest rate risk applicable to a bond is dependent on the sensitivity of its price to interest rate changes in the market. The sensitivity depends on the bond's time to maturity, and the coupon rate of the bond.

Management of the risk

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions.

Financial assets

The Company and its Subsidiary hold fixed rate government bonds with prices determined by market perception as to the appropriate level of yields given the economic background. Key determinants of market quoted prices include economic growth prospects, inflation, the relevant government's fiscal position, short-term interest rates and international market comparisons. The Investment Manager considers all these factors when making investment decisions. Each quarter the Board reviews the decisions made by the Investment Manager and receives reports on each market in which the Company and its Subsidiary invest together with economic updates.

Returns from bonds are fixed at the time of purchase, as the fixed coupon payments are known, as are the final redemption proceeds. This means that if a bond is held until its redemption date, the total return achieved is unaltered from its purchase date. However, over the life of a bond the market price at any given time will depend on the market environment at that time. Therefore, a bond sold before its redemption date is likely to have a different price to its purchase price and a profit or loss may be incurred.

Financial liabilities

The Company primarily finances its operations through use of equity and bank borrowings.

The Company has a revolving multi-currency facility, details of which are disclosed in note 11 on page 63.

The Board actively monitors its bank borrowings. A decision on whether to roll over its existing borrowings will be made prior to their maturity dates, taking into account the Company's policy of not having any fixed, long-term borrowings.

Interest rate exposure

The exposure at 31 August of financial assets and financial liabilities to interest rate risk is shown by reference to floating interest rates – when the interest rate is due to be re-set.

	2019 Within one year £'000	2019 Total £'000	2018 Within one year £'000	2018 Total £'000
Exposure to floating interest rates				
Cash	459	459	411	411
Borrowings under loan facility	(6,000)	(6,000)	(6,500)	(6,500)
Total net exposure to interest rates	**(5,541)**	**(5,541)**	**(6,089)**	**(6,089)**

The Company does not have any fixed interest rate exposure to cash or bank borrowings at 31 August 2019 (2018 – nil). Interest receivable and finance costs are at the following rates:

– interest received on cash balances, or paid on bank overdrafts, is at a margin below LIBOR or its foreign currency equivalent (2018 – same).

– interest paid on borrowings under the loan facility was at a margin above LIBOR. The weighted average interest rate of these at 31 August 2019 was 1.819063% (2018 – 1.434264%).

Interest rate sensitivity

A sensitivity analysis demonstrates the sensitivity of the Company's results for the year to a reasonably possible change in interest rates, with all other variables held constant.

The sensitivity of the profit/(loss) for the year is the effect of the assumed change in interest rates on:

– the net interest income for the year, based on the floating rate financial assets held at the Balance Sheet date; and

– changes in fair value of investments for the year, based on revaluing fixed rate financial assets and liabilities at the Balance Sheet date.

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Company's net interest for the year ended 31 August 2019 would decrease/increase by £28,000 (2018 – £30,000). This is attributable to the Company's exposure to interest rates on its floating rate cash balances and bank loan.

If interest rates had been 50 basis points higher and all other variables were held constant, a change in fair value of the Company's fixed income financial assets at the year ended 31 August 2019 of £21,590,000 (2018 – £22,698,000) would result in a decrease of £617,000 (2018 – £649,000). If interest rates had been 50 basis points lower and all other variables were held constant, a change in fair value of the Company's fixed rate financial assets at the year ended 31 August 2019 would result in an increase of £648,000 (2018 – £679,000).

(e) Liquidity risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Management of the risk

All of the Company's and its Subsidiary's portfolios are investments in quoted bonds and equities that are actively traded. The Company's level of borrowings is subject to regular review.

The Company's investment policy allows the Investment Manager to determine the maximum amount of the Company's resources that should be invested in any one company.

Liquidity risk exposure

The remaining contractual maturities of the financial liabilities at 31 August 2019, based on the earliest date on which payment can be required are as follows (borrowings under the loan facility are subject to a resettting of the interest rate upon maturity):

31 August 2019	Due within 3 months £'000	Due between 3 months and 1 year £'000	Due after 1 year £'000	Total £'000
Creditors: amounts falling due within one year				
Borrowings under the loan facility (including interest)	(6,005)	–	–	(6,005)
Amounts due on forward foreign currency contracts	(111)	–	–	(111)
Amounts due to brokers and accruals	(233)	–	–	(233)
	(6,349)	**–**	**–**	**(6,349)**

31 August 2018	Due within 3 months £'000	Due between 3 months and 1 year £'000	Due after 1 year £'000	Total £'000
Creditors: amounts falling due within one year				
Borrowings under the loan facility (including interest)	(6,505)	–	–	(6,505)
Amounts due on forward foreign currency contracts	(35)	–	–	(35)
Amounts due to brokers and accruals	(361)	–	–	(361)
	(6,901)	**–**	**–**	**(6,901)**

(f) Credit risk

The failure of the counterparty to a transaction to discharge its obligations under that transaction could result in the Company or its Subsidiary suffering a loss. The Company is exposed to credit risk on debt instruments. These classes of financial assets are not subject to IFRS 9's impairment requirements as they are measured at FVTPL. The carrying value of these assets, under both IAS 39 and IFRS 9 represents the Company's maximum exposure to credit risk on financial instruments not subject to the IFRS 9 impairment requirements on the respective reporting dates (see table below "Credit Risk Exposure").

The Company's only financial assets subject to the expected credit loss model within IFRS 9 are cash and short–term other receivables. At 31 August 2019, the total of cash and short–term other receivables was £851,000 (2018 – £853,000).

As cash and short-term other receivables are impacted by the IFRS 9 model, the Company has adopted an approach similar to the simplified approach.

Management of the risk

Where the investment manager makes an investment in a bond, corporate or otherwise, where available, the credit rating of the issuer is taken into account so as to minimise the risk to the Company of default. Investment transactions are carried out with a number of brokers, whose credit-standing is reviewed regularly by AAML, and limits are set on the amount that may be due from any one broker; the risk of counterparty exposure due to failed trades causing a loss to the Company or its Subsidiary is mitigated by the review of failed trade reports on a daily basis. In addition, the administrator carries out both cash and stock reconciliations to the custodians' records on a daily basis to ensure discrepancies are detected on a timely basis.

Cash is held only with reputable banks with high quality external credit ratings. None of the Company's or its Subsidiary's financial assets have been pledged as collateral.

Credit risk exposure

In summary, compared to the amounts included in the Balance Sheet, the maximum exposure to credit risk at 31 August was as follows:

	2019		2018	
	Balance Sheet £'000	Maximum exposure £'000	Balance Sheet £'000	Maximum exposure £'000
Non-current assets				
Bonds at fair value through profit or loss[A]	21,590	21,590	22,698	22,698
Current assets				
Cash	459	459	411	411
Other receivables	392	392	442	442
Forward foreign currency contracts	62	62	96	96
	22,503	**22,503**	**23,647**	**23,647**

[A] Includes quoted bonds held by the Company and its Subsidiary on an aggregated basis. For more detail on these bonds refer to page 21.

None of the Group's financial assets are secured by collateral or other credit enhancements and none are past their due date or impaired.

Credit ratings

The table below provides a credit rating profile using Standard and Poors credit ratings for the bond portfolio at 31 August 2019 and 31 August 2018:

	2019 £'000	2018 £'000
A–	7,632	7,477
BB–	8,195	7,116
BBB	2,661	2,460
BBB–	2,598	3,554
Non-rated	504	2,091
	21,590	**22,698**

At 31 August 2019 the Standard and Poors credit ratings agency did not provide a rating for the Argentinian bond or an Uruguayan corporate bond held by the Company and were accordingly categorised as non–rated in the table above. It is however noted that Moodys credit ratings agency do provide a BBB–rating for the Uruguayan bond valued at £454,000 (2018 – £1,367,000).

At 31 August 2019 the Company held cash of £459,000 (2018 – £411,000) with BNP Paribas SA, which has a credit rating of A-1 with Standard and Poors. No ECL adjustments have been made since the risk is considered negligible.

16. Capital management policies and procedures

The Company's capital management objectives are:

– to ensure that it will be able to continue as a going concern; and

– to maximise the income and capital return to its Equity Shareholders through equity capital and debt.

The Company's capital at 31 August 2019 comprises its equity capital and reserves that are shown in the Balance Sheet at a total of £47,755,000 (2018 – £42,325,000). As at 31 August 2019 gross debt as a percentage of net assets stood at 12.6% (2018 – 15.4%).

The Board, with the assistance of Aberdeen Standard Investments, monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

– the planned level of gearing, which takes account of Aberdeen Standard Investment's views on the market;

– the need to buy back Ordinary shares for cancellation or treasury, which takes account of the difference between the net asset value per share and the share price (i.e. the level of share price discount);

– the need for new issues of Ordinary shares, including issues from treasury; and

– the extent to which distributions from reserves may be made.

The Company's objectives, policies and processes for managing capital are unchanged from the preceding accounting period.

17. Related party transactions

Directors' interests

Fees payable during the year to the Directors are disclosed within the Directors' Remuneration Report on pages 37 to 39 and in note 6 on page 60.

Transactions with the Manager

Under the terms of the management agreement with the Company, APWML (ASCIL with effect from 30 September 2019) is entitled to receive both a management fee and a company secretarial and administration fee. Details of the management fee arrangements are presented in note 5 on page 60.The company secretarial and administration fee is based on an annual amount of £122,000 (2018 – £118,000), increasing annually in line with any increases in the UK Retail Prices Index, payable quarterly in arrears. During the year £73,000 (2018 – £96,000) was payable after the deduction of a rebate £49,000 (2018 – £22,000) to bring the OCR down to 2.0%, with £42,000 (2018 – £7,000) outstanding at the period end.

The Manager has agreed to ensure that the Company's OCR will not exceed 2.0% when calculated annually as at 31 August. Until further notice, to the extent that the OCR ever exceeds 2.0% the Manager will rebate part of its fees in order to bring that ratio down to 2.0%.

Subsequent to the year end, there was a change to the Manager entity and Company Secretary. Further details are provided within the Chairman's Statement on page 5.

Subsidiary

The Company owns 100% of the share capital of the Subsidiary. Details of the movements in the investment are presented in note 10 on page 62.

18. Controlling party

The Company has no immediate or ultimate controlling party.

19. Fair value hierarchy

IFRS 13 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The Company has classified fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

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

Financial assets and financial liabilities are either carried in the balance sheet at their fair value (investments and forward currency contracts) or the balance sheet amount is a reasonable approximation of fair value (due from brokers, dividends and interest receivable, due to brokers, accruals, cash at bank and amounts due under the loan facility).

The financial assets and liabilities measured at fair value in the Balance Sheet grouped into the fair value hierarchy at 31 August 2019 are as follows:

	Note	Level 1 £'000	Level 2 £'000	Total £'000
Financial assets/(liabilities) at fair value through profit or loss				
Quoted equities	a)	15,077	–	15,077
Quoted bonds	b)	–	13,395	13,395
Investment in Subsidiary	c)	–	24,855	24,855
		15,077	38,250	53,327
Forward foreign currency contracts	d)	–	62	62
Forward foreign currency contracts	d)	–	(111)	(111)
Net fair value		**15,077**	**38,201**	**53,278**

As at 31 August 2018	Note	Level 1 £'000	Level 2 £'000	Total £'000
Financial assets/(liabilities) at fair value through profit or loss				
Quoted equities	a)	14,792	–	14,792
Quoted bonds	b)	–	15,581	15,581
Investment in Subsidiary	c)	–	17,904	17,904
		14,792	33,485	48,277
Forward foreign currency contracts	d)	–	96	96
Forward foreign currency contracts	d)	–	(35)	(35)
Net fair value		**14,792**	**33,546**	**48,338**

There were no assets for which significant unobservable inputs (Level 3) were used in determining fair value during the years ended 31 August 2019 and 31 August 2018. For the years ended 31 August 2019 and 31 August 2018 there were no transfers between any levels.

a) **Quoted equities**

The fair value of the Company's investments in quoted equities has been determined by reference to their quoted bid prices at the reporting date. Quoted equities included in Fair Value Level 1 are actively traded on recognised stock exchanges.

b) **Quoted bonds**

The fair value of Level 2 quoted bonds has been determined by reference to their quoted bid prices within markets not considered to be active. Index linked bonds are adjusted for indexation arising from the movement of the consumer prices index within the country of their incorporation.

c) **Investment in Subsidiary**

The Company's investment in its Subsidiary is categorised in Fair Value Level 2 as its fair value is determined by reference to its unadjusted net asset value which is not a quoted price but is derived predominantly from quoted investments. The net asset value of the Subsidiary is unadjusted as it has no restrictions on distributions.

d) **Forward foreign currency contracts**

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles.

20. Analysis of changes in financing liabilities during the year

The following tables shows the movements of financing liabilities in the Statement of Financial Position during the years ended 31 August 2019 and 31 August 2018 :

	At 1 September 2018 £000	Cash flows £000	Other movements[A] £000	At 31 August 2019 £000
Financing activities				
Loan	(6,500)	500	–	(6,000)
Amounts due relating to repurchase of own shares	(12)	1,469	(1,485)	(28)
Total	**(6,512)**	**1,969**	**(1,485)**	**(6,028)**

	At 1 September 2017 £000	Cash flows £000	Other movements[A] £000	At 31 August 2018 £000
Financing activities				
Loan	(6,500)	–	–	(6,500)
Amounts due relating to repurchase of own shares	(20)	1,415	(1,407)	(12)
Total	**(6,520)**	**1,415**	**(1,407)**	**(6,512)**

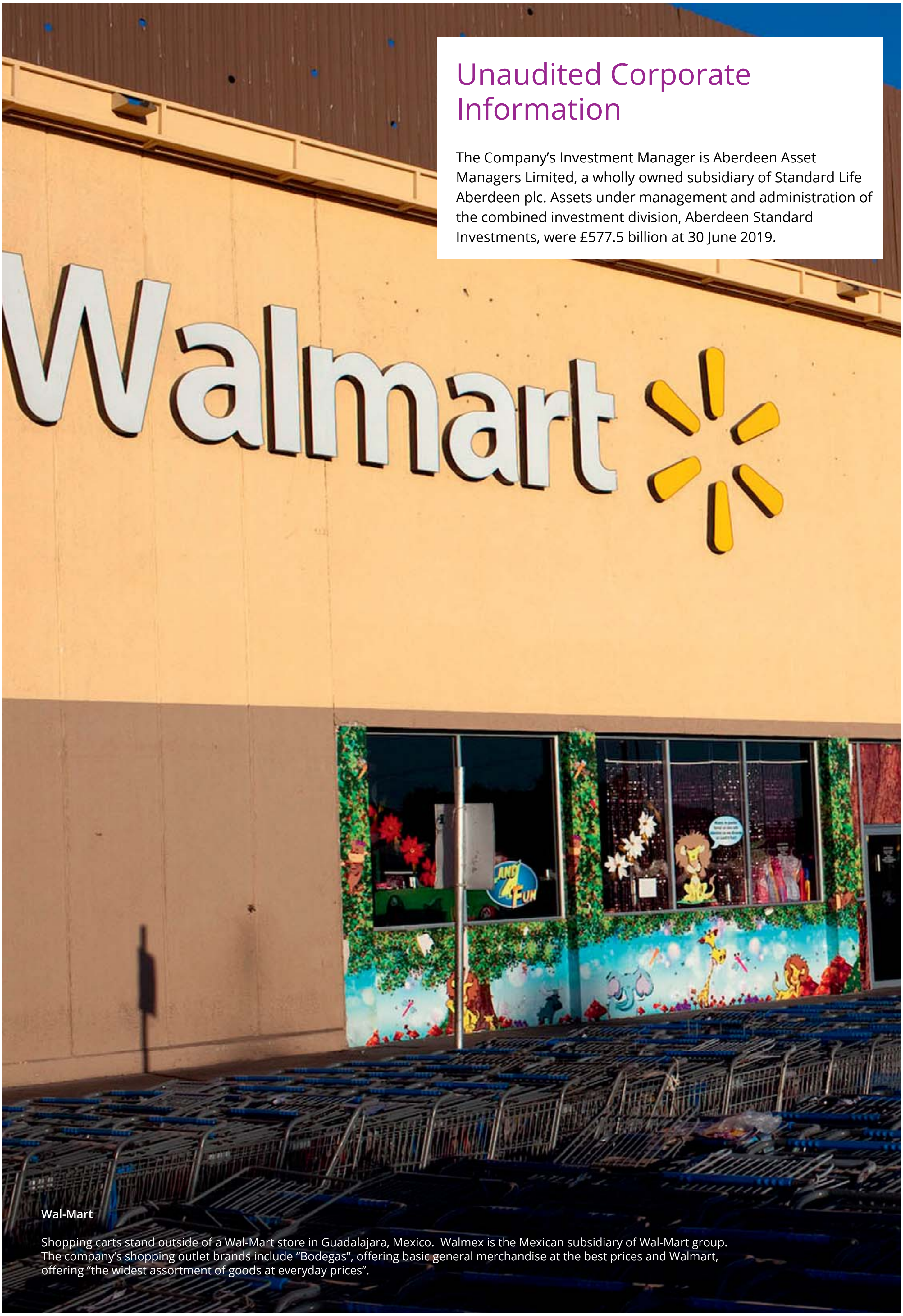
[A] The other movements column represents the cost of repurchasing own shares as disclosed in the Statement of Changes in Equity.

21. Subsequent events

Subsequent to the Balance Sheet date, the Company purchased a further 290,000 Ordinary shares for cancellation at a total cost of £204,000.

Unaudited Corporate Information

The Company's Investment Manager is Aberdeen Asset Managers Limited, a wholly owned subsidiary of Standard Life Aberdeen plc. Assets under management and administration of the combined investment division, Aberdeen Standard Investments, were £577.5 billion at 30 June 2019.



Wal-Mart

Shopping carts stand outside of a Wal-Mart store in Guadalajara, Mexico. Walmex is the Mexican subsidiary of Wal-Mart group. The company's shopping outlet brands include "Bodegas", offering basic general merchandise at the best prices and Walmart, offering "the widest assortment of goods at everyday prices".

Information about the Manager

During the financial year, the Company was managed by Aberdeen Private Wealth Management Limited ("APWML"), which is registered with the Jersey Financial Services Commission ("JFSC") for the conduct of fund services business. Subsequent to the end of the Company's financial year end APWML merged on 30 September 2019 with Aberdeen Standard Capital International Limited ("ASCIL"), a wholly owned subsidiary of Standard Life Aberdeen PLC, by way of a merger process set out in the Companies (Jersey) Law 1991. Following the merger, ASCIL is the ongoing entity and the new contracting party to all of APMWL's previous agreements and became the Company's Manager and Company Secretary. Following the merger of APWML and ASCIL, the investment management of the Company continues to be delegated to Aberdeen Asset Managers Limited ("AAML"), a wholly owned subsidiary of Standard Life Aberdeen PLC. Aberdeen Standard Investments is a brand of the investment business of Standard Life Aberdeen PLC.

Aberdeen Standard Investments

Worldwide, Aberdeen Standard Investments manages and administers a combined £577.5 billion (as at 30 June 2019) in assets for a range of clients, including individuals and institutions, through mutual and segregated funds.

Aberdeen Standard Investments has its headquarters in Edinburgh with principal offices in Aberdeen, London, Singapore, Philadelphia, Bangkok, Edinburgh, Hong Kong, Luxembourg, Kuala Lumpur, Jersey, Sao Paulo, Stockholm, Sydney, Taipei, and Tokyo.

The Investment Team Senior Managers

Devan Kaloo

Global Head of Equities – Equities, EMEA

MA (Hons) in Management and International Relations from The University of St Andrews. Joined Aberdeen Standard Investments from Martin Currie in 2000 on the Asian portfolio team.

Joanne Irvine

Deputy Head of Global Emerging Markets – Equities EMEA,

BA in Accounting from Glasgow Caledonian University and is a qualified Chartered Accountant. Joined Aberdeen Standard Investments in 1996 in a group development role and previously worked in corporate finance specialising in raising development capital finance for private businesses.

Brett Diment

Head of Global Emerging Market Debt – Fixed Income, EMEA

BSc from the London School of Economics. Joined Aberdeen Standard Investments in 2005 having previously worked for Deutsche Bank. He joined Deutsche in 1991 as a graduate and started researching emerging markets in 1995.

Peter Taylor

Director – Head of Brazilian Equities

BA from Oxford University and an MA from The Johns Hopkins University, Washington DC. Joined Aberdeen Standard Investments in 2007 from the International Finance Corporation.

Viktor Szabo

Senior Investment Manager – Fixed Income, EMEA

MSc from the Corvinus University of Budapest. Joined Aberdeen Standard Investments in 2009 having previously worked for Credit Suisse and the National Bank of Hungary.

The Investment Process

Although the Manager is an active long-only manager, its investment philosophy and approach has absolute return characteristics. Its investment process is robust and characterised by its discipline, consistency and independence. The Manager is not benchmark-driven and, accordingly, its fund managers do not invest in stocks that fail to meet its investment criteria.

Portfolios are managed on a team basis, with individual fund managers doing their own research and analysis. Each asset class has a model portfolio that contains the team's best ideas for that asset class and forms the basis for constructing individual portfolios focused on that asset class.

The Manager selects securities for the Company's portfolio employing the investment strategies established by the Global Emerging Market Equity and Global Emerging Market Debt teams. These teams, which comprise the investment team with responsibility for managing the Company's portfolio, have similar investment philosophies which focus on careful security selections, based on propriety research and the application of a disciplined investment process.

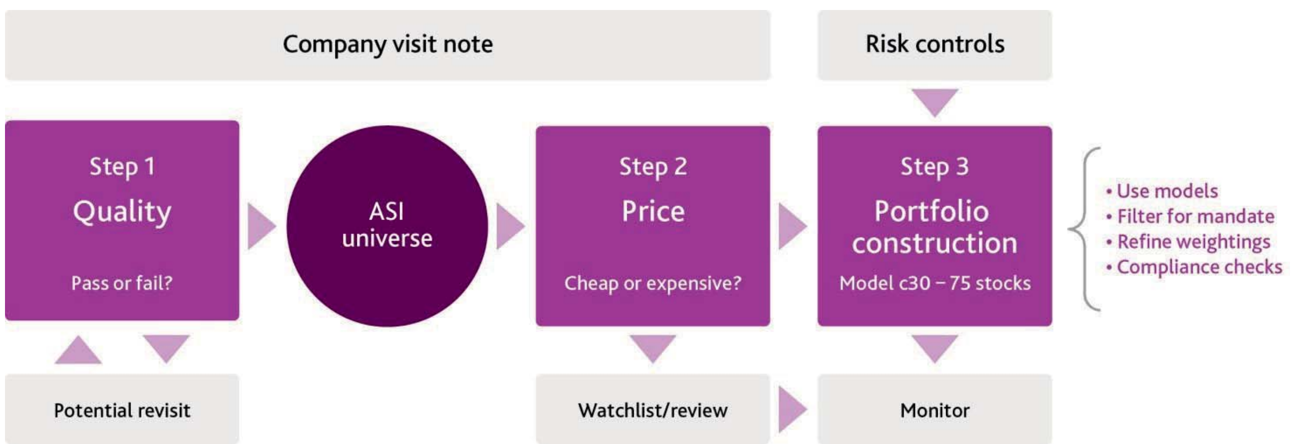
The Manager regularly monitors and makes allocation decisions to determine the Company's portfolio weightings of, in particular, equity and equity-related investments and fixed income investments. Allocations between equity and equity-related investments and fixed income investments will vary according to the relative value and opportunities identified.

As markets change over time, the Company's flexibility allows the Manager to modify the Company's asset allocation in response to changing economic cycles. Whilst the Company's investment policy commits it to invest in the Latin American region, investment opportunities in the region are such that the geographic exposure of the Company's portfolio may be concentrated on a relatively small number of countries and/or securities from time to time.

Socially Responsible Investing

The Directors, through the Manager, encourage companies in which investments are made to adhere to best practice in the area of Corporate Governance and Socially Responsible Investing. They believe that this can best be achieved by entering into a dialogue with company management to encourage them, where necessary, to improve their policies in both areas.

The Manager's ultimate objective, however, is to deliver superior investment return for their clients. Accordingly, whilst the Manager will seek to favour companies which pursue best practice in these areas, this must not be to the detriment of the return on the investment portfolio.



Investor Information

Direct

Investors can buy and sell shares in the Company directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively shares can be bought directly through the Aberdeen Standard Investment Plan for Children, Aberdeen Standard Investment Trust Share Plan and Investment Trust ISA.

Suitable for Retail/NMPI Status

The Company's securities are intended for investors primarily in the UK (including retail investors), professional-advised private clients and institutional investors who want to benefit from the growth prospects of Latin American companies by investment in an investment company and who understand and are willing to accept the risks of exposure to equities, bonds and foreign currencies. Investors should consider consulting a financial adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result.

The Company currently conducts its affairs so that the Ordinary shares can be recommended by a financial advisor to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream pooled investments (NMPIs) and intends to continue to do so for the foreseeable future.

The Company's securities are excluded from the FCA's restrictions which apply to NMPIs because the Company would qualify as an investment company if the Company were based in the UK.

Aberdeen Standard Investment Plan for Children

Aberdeen Standard Investments runs an Investment Plan for Children (the "Children's Plan") which covers a number of investment companies under its management including the Company. Anyone can invest in the Children's Plan, including parents, grandparents and family friends (subject to the eligibility criteria as stated within the terms and conditions). All investments are free of dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £150 per trust, while regular savers may invest from £30 per month. Investors simply pay Government Stamp Duty (currently 0.5%) where applicable on entry. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in the Children's Plan, and regular savers can stop or suspend participation by instructing Aberdeen Standard Investments in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

Aberdeen Standard Investment Trust Share Plan

Aberdeen Standard Investments runs a Share Plan (the "Plan") through which shares in the Company can be purchased. There are no dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £250, while regular savers may invest from £100 per month. Investors simply pay Government Stamp Duty (currently 0.5%) where applicable on entry. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in a Plan, and regular savers can stop or suspend participation by instructing Aberdeen Standard Investments in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

Aberdeen Standard Investment Trust ISA

Aberdeen Standard Investments operates an Investment Trust ISA ("ISA") through which an investment may be made of up to £20,000 in the tax year 2019/2020.

There are no brokerage or initial charges for the ISA, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Investors only pay Government Stamp Duty (currently 0.5%) on purchases where applicable. Selling costs are £15 + VAT. The annual ISA administration charge is £24 + VAT, calculated annually and applied on 31 March (or the last business day in March) and collected soon thereafter either by direct debit or, if there is no valid direct debit mandate in place, from the available cash in the Plan prior to the distribution or reinvestment of any income, or, where there is insufficient cash in the Plan, from the sale of investments held in the Plan. Investors have full voting and other rights of share ownership. Under current legislation, investments in ISAs can grow free of capital gains tax.

Nominee Accounts and Voting Rights

In common with other schemes of this type, all investments in the Aberdeen Standard Investment Trust Share Plan, Investment Plan for Children and Investment Trust ISA are held in nominee accounts and investors have full voting and other rights of share ownership.

ISA Transfer

Investors can choose to transfer previous tax year investments to us which can be invested in Aberdeen Latin American Income Fund Limited while retaining their ISA wrapper. The minimum lump sum for an ISA transfer is £1,000 and is subject to a minimum per investment company of £250.

Note

Please remember that past performance is not a guide to the future. Stock market and currency movements may cause the value of Ordinary shares and the income from them to fall as well as rise and investors may not get back the amount they originally invested.

As with all equity investments, the value of investment companies purchased will immediately be reduced by the difference between the buying and selling prices of the shares, the market maker's spread.

Investors should further bear in mind that the value of any tax relief will depend on the individual circumstances of the investor and that tax rates and reliefs, as well as the tax treatment of ISAs may be changed by future legislation.

Literature Request Service

For literature and information on the Investment Plan for Children, Share Plan, ISA or ISA Transfer including application forms for the Company and the Manager's investment trust products, please contact:

Aberdeen Standard Investment Trust Administration
PO Box 11020
Chelmsford
Essex, CM99 2DB
Telephone: 0808 500 00 40
(free when dialling from a UK landline)
Email: aam@lit-request.com

Details are also available on **invtrusts.co.uk**

Terms and Conditions for Aberdeen Standard Investments managed savings products can also be found under the Literature section of our website at **invtrusts.co.uk.**

Keeping You Informed

For internet users, detailed data on the Company, including price, performance information and a monthly fact sheet is available from the Company's website: latamincome.co.uk and the TrustNet website: trustnet.co.uk. Alternatively direct private investors can call 0808 500 00 40 (free when dialling from a UK landline) for trust information. Alternatively, internet users may email Aberdeen Standard Investments at inv.trusts@aberdeenstandard.com or write to Aberdeen Standard Investment Trust Administration, PO Box 11020, Chelmsford, Essex CM99 2DB.

Registrars

For further information concerning any direct certificated shareholding, please contact the Company's registrars:

Computershare Investor Services (Jersey) Limited
Queensway House,
Hilgrove Street
St Helier
Jersey JE1 1ES
Tel: +44 (0) 370 707 4040
Fax : +44 (0) 370 873 5851

Calls to' 03' numbers cost no more than a national rate call to an '01' or "02' number and must count towards any inclusive minutes in the same way as '01' and '02' numbers. These rules apply to calls from any type of line including mobile, BT, other fixed line and payphone.

Online dealing providers

Investor information

There are a number of other ways in which you can buy and hold shares in this investment company.

Online dealing

There are a number of online dealing platforms for private investors that offer share dealing, ISAs and other means to invest in the company. Real-time execution-only stockbroking services allow investors to trade online, manage their portfolios and buy UK listed shares. These sites do not give advice. Some comparison websites also look at dealing rates and terms. Some well-known online providers, which can be found through internet search engines, include:

AJ Bell Youinvest
Alliance Trust Savings
Barclays Stockbrokers / Smart Investor
Charles Stanley Direct
Equiniti / Shareview
Halifax Share Dealing
Hargreave Hale
Hargreaves Lansdown
iDealing
Interactive Investor / TD Direct
Selftrade
The Share Centre
Stocktrade

Investor Information continued

Discretionary private client stockbrokers

If you have a large sum to invest, you may wish to contact a discretionary private client stockbroker. They can manage your entire portfolio of shares and will advise you on your investments. To find a private client stockbroker visit the Wealth Management Association at thewma.co.uk.

Financial advisers

To find an adviser who recommends on investment trusts, visit unbiased.co.uk.

Regulation of stockbrokers

Before approaching a stockbroker, always check that they are regulated by the Financial Conduct Authority:

Telephone: 0800 111 6768
Email: register@fca.org.uk
www.fca.org.uk/firms/systems-reporting/register/search

Investor Warning: Be alert to share fraud and boiler room scams

Aberdeen Standard Investments has been contacted by investors informing that they have received telephone calls and emails from people who have offered to buy their investment company shares, purporting to work for Aberdeen Standard Investments or for third party firms. Aberdeen Standard Investments has also been notified of emails claiming that certain investment companies under its management have issued claims in the courts against individuals. These may be scams which attempt to gain investors' personal information with which to commit identity fraud or could be 'boiler room' scams where a payment from them is required to release the supposed payment for their shares.

These callers/senders do not work for Aberdeen Standard Investments and any third party making such offers/claims has no link with the Manager.

Aberdeen Standard Investments does not 'cold-call' investors in this way. If you have any doubt over the veracity of a caller, do not offer any personal information, end the call and contact Aberdeen Standard Investment's investor services centre using the details on the 'Contact Us' page.

The Financial Conduct Authority provides advice with respect to share fraud and boiler room scams: www.fca.org.uk/consumers/scams

The information above has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act) by Aberdeen Asset Managers Limited which is authorised and regulated by the Financial Conduct Authority.

Glossary of Terms and Definitions

AAML or the Investment Manager	Aberdeen Asset Managers Limited is a wholly owned subsidiary of Standard Life Aberdeen plc and acts as the Company's investment manager
Standard Life Aberdeen plc	Standard Life Aberdeen plc was formed by the merger of Aberdeen Asset Management PLC and Standard Life plc on 14 August 2017
Aberdeen Standard Investments	Aberdeen Standard Investments is a brand of the investment businesses of Standard Life Aberdeen plc
Standard Life Aberdeen Group	the Standard Life Aberdeen group of companies
Aberdeen Private Wealth Management Limited or APWML	The Company was managed by Aberdeen Private Wealth Management Limited ("APWML"), which is registered with the Jersey Financial Services Commission ("JFSC") for the conduct of fund services business and is a wholly owned subsidiary of Standard Life Aberdeen PLC, until 30 September 2019. The investment management of the Company was delegated by APWML to AAML.
Aberdeen Standard Capital International Limited or ASCIL	With effect from 30 September 2019, the Company is managed by Aberdeen Standard Capital International Limited ("ASCIL"), which is registered with the Jersey Financial Services Commission ("JFSC") for the conduct of fund services business and is a wholly owned subsidiary of Standard Life Aberdeen PLC. The investment management of the Company continues to be delegated to AAML.
ADR	An American depositary receipt (ADR) is a negotiable certificate issued by a U.S. depository bank representing a specified number of shares—or as little as one share—investment in a foreign company's stock. The ADR trades on markets in the U.S. as any stock would trade.
AIC	The Association of Investment Companies – the AIC is the trade body for closed-ended investment companies (theaic.co.uk).
AIFMD	The Alternative Investment Fund Managers Directive – The AIFMD is European legislation which created a European-wide framework for regulating managers of 'alternative investment funds' ("AIFs"). It is designed to regulate any fund which is not a UCITS (Undertakings for Collective Investments in Transferable Securities) fund and which is managed/marketed in the EU. The Company has been designated as an AIF.
Alternative Performance Measures	Alternative performance measures are numerical measures of the Company's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The Company's applicable financial framework includes IFRSs and the AIC SORP. The Directors assess the Company's performance against a range of criteria which are viewed as particularly relevant for closed-end investment companies. These are disclosed in more detail on pages 86 and 87.
Disclosure, Guidance and Transparency Rules or DTRs	The DTRs contain requirements for publishing and distributing annual financial reports, half-yearly financial reports and other regulatory statements, and are applicable to investment companies which are listed on the main market of the London Stock Exchange.
Dividend Cover	Earnings per share divided by dividends per share expressed as a ratio.
Dividend Yield	The annual dividend expressed as a percentage of the share price.
Due to / from brokers	Outstanding settlements with the brokers at the financial year-end.
Financial Conduct Authority or FCA	The FCA issues the Listing Rules and is responsible for the regulation of AAML.

Glossary of Terms and Definitions continued

GDR	A global depositary receipt (GDR) is very similar to an ADR. It is a type of bank certificate that represents shares in a foreign company, such that a foreign branch of an international bank then holds the shares. The shares themselves trade as domestic shares, but, globally, various bank branches offer the shares for sale.
KID	Key Information Document. A KID is a stand-alone, standardised document prepared for each investment vehicle containing detailed information on that investment vehicle.
Net Asset Value or NAV	The value of total assets less liabilities. Liabilities for this purpose includes current and long-term liabilities. The net assets divided by the number of shares in issue produces the NAV per share.
Net Gearing	Net gearing is calculated by dividing total borrowings less cash or cash equivalents (adjusted for amounts due to / from brokers) by Shareholders' funds expressed as a percentage.
Ongoing Charges Ratio or OCR	Ongoing Charges Ratio. The ratio of expenses as a percentage of the average daily Shareholders' funds calculated as per the Association of Investment Companies (AIC) industry standard method.
Ordinary Shares	The Ordinary shares give Ordinary Shareholders the entitlement to all of the capital growth in the Company's assets and to all the income from the Company that is resolved to be distributed. The Ordinary shares are in registered form and traded on the London Stock Exchange's Main Market. Subject to the Articles of Association, which include the provisions of Chapter 5 of the United Kingdom Listing Authority's Disclosure Guidance and Transparency Rules relating to the requirement of persons to disclose their interests in shares, on a show of hands every registered holder of Ordinary shares (a Shareholder) who is present in person (or, being a corporation, by representative) shall have one vote. On a poll every Shareholder present in person (or, being a corporation, by representative) or by proxy shall be entitled to one vote in respect of each Ordinary share held by him. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the shares.
PIDD	Pre-Investment Disclosure Document. Aberdeen Standard Investments and the Company are required to make certain disclosures available to investors in accordance with the AIFMD. Those disclosures that are required to be made pre-investment are included within a pre-investment disclosure document, a copy of which can be found on the Company's website.
PRIIPS	The Packaged Retail and Insurance-based Investment Products Regulation. A PRIIP is defined as an investment where, regardless of its legal form, the amount repayable to the retail investor is subject to fluctuations because of exposure to reference values or to the performance of one or more assets that are not directly purchased by the retail investor.
Price/Earnings Ratio	The ratio is calculated by dividing the middle-market price per share by the earnings per share. The calculation assumes no change in earnings but in practice the multiple reflects the stock market's view of a company's prospects and profit growth potential.
Prior Charges	The name given to all borrowings including debentures, loan and short-term loans and overdrafts that are to be used for investment purposes, reciprocal foreign currency loans, currency facilities to the extent that they are drawn down, index-linked securities, and all types of preference or preferred capital, irrespective of the time until repayment.
Share Price Discount or Premium	The discount is the amount by which the market price per share of an investment company is lower than the NAV per share. The discount is normally expressed as a percentage of the NAV share. The premium is the amount by which the market price per share of an investment company exceeds the NAV per share. The premium is normally expressed as a percentage of the NAV per share.

Subsidiary	The Company has a wholly owned subsidiary, Aberdeen Latin American Income Fund LLC, registered in Delaware. The Subsidiary is used to hold certain investments as part of the efficient management of the group.
Total Assets	Total assets less current liabilities (before deducting prior charges as defined above).
Total Return	Total Return involves reinvesting the net dividend in the month that the share price goes ex dividend. The NAV Total Return involves investing the same net dividend in the NAV of the Company on the date to which that dividend was earned, e.g. quarter end, half year or year end date.
Voting Rights	In accordance with the Articles of Association, on a show of hands, every member (or duly appointed proxy) present at a general meeting of the Company has one vote; and, on a poll, every member present in person or by proxy shall have one vote for Ordinary share held.

Alternative Performance Measures

Alternative performance measures are numerical measures of the Company's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The Company's applicable financial framework includes IFRS and the AIC SORP. The Directors assess the Company's performance against a range of criteria which are viewed as particularly relevant for closed-end investment companies.

Total return

Total return is considered to be an alternative performance measure. NAV and share price total returns show how the NAV and share price have performed over a period of time in percentage terms, taking into account both capital returns and dividends paid to shareholders. NAV total return involves investing the net dividend in the NAV of the Company with debt at fair value on the date on which that dividend goes ex-dividend. Share price total return involves reinvesting the net dividend in the share price of the Company on the date on which that dividend goes ex-dividend.

The tables below provide information relating to the NAVs and share prices of the Company on the dividend reinvestment dates during the years ended 31 August 2019 and 31 August 2018.

2019	Dividend rate	NAV	Share price
31 August 2018	N/A	70.34p	60.80p
4 October 2018	0.875p	74.32p	64.40p
20 December 2018	0.875p	75.32p	63.30p
2 May 2019	0.875p	77.36p	66.00p
4 July 2019	0.875p	87.24p	74.60p
31 August 2019	N/A	82.34p	69.20p
Total return		**+22.4%**	**+19.9%**

2018	Dividend rate	NAV	Share price
31 August 2017	N/A	90.40p	78.38p
5 October 2017	0.875p	90.10p	78.00p
28 February 2018	0.875p	80.43p	72.38p
26 April 2018	0.875p	80.36p	69.20p
12 July 2018	0.875p	73.35p	62.40p
31 August 2018	N/A	70.34p	60.80p
Total return		**–18.8%**	**–18.5%**

Discount to net asset value per Ordinary share

The discount is the amount by which the share price of 69.20p (2018 – 60.80p) is lower than the net asset value per Ordinary share of 82.34p (2018 – 70.34p), expressed as a percentage of the net asset value per share per Ordinary share.

Dividend cover

Revenue return per Ordinary share of 4.27p (2018 – 3.78p) divided by dividends per Ordinary share of 3.50p (2018 – 3.50p) expressed as a ratio.

Net gearing

Net gearing measures the total borrowings of £6,000,000 (31 August 2018 – £6,500,000) less cash and cash equivalents of £535,000 (31 August 2018 – £502,000) divided by shareholders' funds of £47,755,000 (31 August 2018 – £42,235,000), expressed as a percentage. Under AIC reporting guidance cash and cash equivalents includes amounts due to brokers of £28,000 (2018 – £12,000) and amounts due from brokers of £104,000 (2018 – £103,000) at the year end as well as cash and cash equivalents.

Ongoing charges

The ongoing charges ratio has been calculated in accordance with guidance issued by the AIC as the total of investment management fees and administrative expenses and expressed as a percentage of the average net asset values with debt at fair value throughout the year.

	2019	2018
Investment management fees (£'000)	533	555
Administrative expenses (£'000)	411	473
Less: non-recurring charges (£'000)	(10)	(34)
Ongoing charges (£'000)	**934**	**994**
Average net assets (£'000)	**46,712**	**49,654**
Ongoing charges ratio	**2.00%**	**2.00%**

The ongoing charges ratio provided in the Company's Key Information Document is calculated in line with the PRIIPs regulations which amongst other things, includes the cost of borrowings and transaction costs.

Your Company's Share Capital History

Issued Share Capital at 31 August 2019

57,945,324	Ordinary shares of no par value issued and allotted
6,107,500	Ordinary shares of no par value held in treasury

Capital History

16 August 2010	52,106,185 Ordinary shares placed at 100p per share, 5,210,618 Subscription shares issued at 10.5p per Subscription share (to AAML) and 5,210,618 Subscription shares issued free to share issue applicants on the basis of one Subscription share for every 10 Ordinary shares applied for.
3 February 2012	15,597,185 C shares issued at 100p per C share under the terms of a Placing and Offer pursuant to a Prospectus published on 20 January 2012.
11 April 2012	14,466,389 new Ordinary shares issued and listed following the conversion of the C shares on the basis of 0.9275 Ordinary shares for every one C share held.
Year ended 31 August 2014	990,000 Ordinary shares bought into treasury. 100 new Ordinary shares issued at 120p per share following the conversion of 100 Subscription shares in the period to 31 December 2013.
Year ended 31 August 2015	560,000 Ordinary shares bought into treasury. 150 new Ordinary shares issued at 120p per share following the conversion of 150 Subscription shares in the period to 31 December 2014.
Year ended 31 August 2016	870,000 Ordinary shares bought into treasury. On 31 December 2015, the final subscription date for the Subscription Shares, all 10,420,986 Subscription Shares outstanding expired worthless and were subsequently cancelled.
Year ended 31 August 2017	2,015,000 Ordinary shares purchased for treasury.
Year ended 31 August 2018	1,672,500 Ordinary shares purchased for treasury and 290,000 Ordinary shares purchased for cancellation
Year ended 31 August 2019	2,175,000 Ordinary shares purchased for cancellation

Alternative Investment Fund Managers Directive Disclosures (Unaudited)

Aberdeen Standard Investments and the Company are required to make certain disclosures available to investors in accordance with the Alternative Investment Fund Managers Directive ("AIFMD"). Those disclosures that are required to be made pre-investment are included within a pre-investment disclosure document ("PIDD") which can be found on the Company's website latamincome.co.uk. There have been no material changes to the disclosures contained within the PIDD since last publication in 2018. The periodic disclosures as required under the AIFMD to investors are made below:

- Information on the investment strategy, geographic and sector investment focus and principal stock exposures are included in the Strategic Report.
- None of the Company's assets are subject to special arrangements arising from their illiquid nature.
- The Strategic Report, note 15 to the Financial Statements and the PIDD together set out the risk profile and risk management systems in place. There have been no changes to the risk management systems in place in the period under review and no breaches of any of the risk limits set, with no breach expected.
- There are no new arrangements for managing the liquidity of the Company or any material changes to the liquidity management systems and procedures employed by ASCIL.
- In accordance with the requirements of the AIFMD, the Manager's remuneration policy is available from the Company Secretary, Aberdeen Standard Capital International Limited on request (see contact details on page 91) and the remuneration disclosures in respect of the APWML (the Company's Manager to 31 August 2019) reporting period for the year ended 30 September 2018 and the period to 31 December 2018 are available on the Company's website.

The above information entitled 'Alternative Investment Fund Managers Directive Disclosure (unaudited)' has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by Aberdeen Standard Fund Managers Limited which is authorised and regulated by the Financial Conduct Authority

Notice of Annual General Meeting

Notice is hereby given that the ninth Annual General Meeting of Aberdeen Latin American Income Fund Limited will be held at 1st Floor, Sir Walter Raleigh House, 48 – 50 Esplanade, St Helier, Jersey JE2 3QB, at 10.00 a.m. on 11 December 2019 for the following purposes:

To consider and, if thought fit, pass the following resolutions which will be proposed as ordinary resolutions:

Ordinary Business

1. To receive the Directors' Report and financial statements for the year ended 31 August 2019, together with the auditor's report thereon.
2. To receive and adopt the Directors' Remuneration Report (other than the Directors' Remuneration Policy).
3. That shareholders approve the Company's Dividend Policy to continue to pay four interim dividends per year.
4. To elect Ms MacCallum as a Director.
5. To re-elect Mr Prosser as a Director.
6. To re-elect Ms Adam as a Director.
7. To re-appoint Ernst & Young LLP as independent auditor.
8. To authorise the Directors to agree the remuneration of the independent auditor.

Special Business

As special business, to consider the following resolutions, each of which will be proposed as a special resolution:

9. THAT, the Company be and is hereby generally and unconditionally authorised in accordance with the Articles of Association to make market purchases on a stock exchange of, and to cancel or hold in treasury, Ordinary shares of no par value in the capital of the Company ("Ordinary shares"), provided that:
   a) the maximum number of Ordinary shares hereby authorised to be purchased is 14.99% of the issued share capital of the Company as at the date of the passing of this resolution;
   b) the maximum price which may be paid for an Ordinary share shall not be more than the higher of (i) an amount equal to 105% of the average of the middle market quotations for an Ordinary share taken from the Official List for the 5 business days immediately preceding the day on which the Ordinary share is purchased; and (ii) the higher of the last independent trade and the current highest independent bid on the trading venue where the purchase is carried out;
   c) the minimum price which may be paid for an Ordinary share is 1 pence; and
   d) the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company in 2020 or, if earlier, on the expiry of 18 months from the passing of this resolution, unless such authority is renewed prior to such time.
10. THAT, for the purposes of Article 7.2 of the Company's Articles of Association the Company may issue equity securities (as defined in that Article) up to a maximum amount of 5,771,032 Ordinary shares representing 10% of the total number of Ordinary shares in issue as at the date of this resolution, provided that such disapplication shall expire (unless and to the extent previously revoked, varied or renewed by the Company in general meeting (by special resolution)) at the earlier of the conclusion of the Annual General Meeting of the Company to be held in 2020 or eighteen months from the date of this resolution but so that this power shall enable the Company to make offers or agreements before such expiry which would or might require equity securities to be issued after such expiry and the Directors of the Company may issue equity securities in pursuance of any such offer or agreement as if such expiry had not occurred.

By order of the Board
Aberdeen Standard Capital International Limited
Company Secretary
6 November 2019

1st Floor, Sir Walter Raleigh House
48 – 50 Esplanade,
St Helier,
Jersey JE2 3QB

Notice of Annual General Meeting continued

Notes:

1. A member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of him. A proxy need not be a member of the Company. A form of proxy is enclosed.
2. Instruments of proxy and the power of attorney or other authority, if any, under which they are signed or a notarially certified copy of that power of attorney or authority should be sent to The Registrars, Aberdeen Latin American Income Fund Limited, Computershare Investor Services (Jersey) Limited, The Pavillions, Bridgewater Road, Bristol BS13 8AE so as to arrive not less than forty eight hours before the time fixed for the meeting.
3. In accordance with Article 40 of the Companies (Uncertificated Securities) (Jersey) Order 1999, to have the right to attend and vote at the meeting referred to above a member must first have his or her name entered in the Company's register of members by not later than forty eight hours before the time fixed for the meeting (or, in the event that the meeting be adjourned, on the register of members forty eight hours before the time of the adjourned meeting). Changes to entries on that register after that time (or, in the event that the meeting is adjourned, on the register of members less than forty eight hours before the time of any adjourned meeting) shall be disregarded in determining the rights of any member to attend and vote at the meeting referred to above.
4. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those Ordinary Shareholders entered on the register of members of the Company as at 10.00 a.m. on 9 December 2019 or, in the event that the meeting is adjourned, on the register of members 48 hours before the time of any adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares registered in their name at that time. Changes to the entries on the register of members after 10.00 a.m. on 9 December 2019 or, in the event that the meeting is adjourned, in the register of members 48 hours before the time of any adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the meeting, notwithstanding any provisions in any enactment, the Articles of Association of the Company or other instrument to the contrary.
5. No Director has a service contract with the Company.
6. The Register of Directors' interests is kept by the Company and available for inspection.
7. As at 5 November 2019 (being the last business day prior to the publication of this notice) the Company's issued share capital comprised 57,710,324 Ordinary shares of no par value (with a further 6,107,500 Ordinary shares held in treasury). Each Ordinary share carries the right to one vote at a general meeting of the Company. Therefore, the total number of voting rights in the Company as at 5 November 2019 was 57,710,324.
8. There are special arrangements for holders of Ordinary shares through the Aberdeen Share Plan and Investment Trust ISA. These are explained in the 'Letter of Direction' which such holders will have received with this report.

Contact Addresses

Directors

Richard Prosser (Chairman)
George Baird (Audit Committee Chairman)
Hazel Adam
Heather MacCallum (*appointed 24 April 2019*)

Manager, Secretary & Registered Office

Aberdeen Standard Capital International Limited
Sir Walter Raleigh House
48 – 50 Esplanade
St Helier
Jersey JE2 3QB

(During the financial year and to 30 September 2019, Aberdeen Private Wealth Management Limited, Sir Walter Raleigh House, 48 – 50 Esplanade, St Helier, Jersey, JE2 3QB was the Company's Manager and Secretary)

Registered in Jersey with Number 106012

Investment Manager

Aberdeen Asset Managers Limited
Bow Bells House
1 Bread Street
London EC4M 9HH

Registrars and Transfer Agents

Computershare Investor Services (Jersey) Limited
Queensway House
Hilgrove Street
St Helier
Jersey JE1 1ES

Tel: +44 (0) 370 707 4040
Fax: +44 (0) 370 873 5851

Calls to' 03' numbers cost no more than a national rate call to an '01' or "02' number and must count towards any inclusive minutes in the same way as '01' and '02' numbers. These rules apply to calls from any type of line including mobile, BT, other fixed line and payphone.

Lending Bank

Scotiabank (Ireland) Designated Activity Company
IFSC House
Custom House Quay
Dublin 1

Jersey Lawyers

Appleby (Jersey) LLP
PO Box 207
13-14 Esplanade
St Helier
Jersey JE1 1BD

Financial Adviser and Corporate Broker

Cantor Fitzgerald Europe
One Churchill Place
Level 20
Canary Wharf
London E14 5RB

Independent Auditor

Ernst & Young LLP
Liberation House
Castle Street
St Helier
Jersey JE1 1EY

Foreign Account Tax Compliance Act ("FATCA") IRS Registration Number ("GIIN"):

9HSG0J.99999.SL.832

Website

latamincome.co.uk

Legal Entity Identifier ("LEI")

549300DN623WEGE2MY04

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latamincome.co.uk