

## Fintax International Balanced Fund IC Limited

**Annual Report and Audited Financial Statements  
for the year ended 30 June 2023**

Fintax International Balanced Fund IC Limited

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**Fintax International Balanced Fund IC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2023**

**General Information**

**Address and Registered Office**

PO Box 255  
Trafalgar Court, Les Banques  
St Peter Port, Guernsey  
GY1 3QL  
Channel Islands

**Investment Manager**

Momentum Global Investment Management Limited  
The Rex Building  
62 Queen Street  
London  
EC4R 1EB  
United Kingdom

**Distribution Partner**

Fintax Consulting Group (Pty) Ltd  
No. 2 Seventh Avenue  
Parktown North  
2193  
South Africa

**Manager**

Momentum Wealth International Limited  
La Plaiderie House  
La Plaiderie  
St Peter Port, Guernsey  
GY1 1WF  
Channel Islands

**Sub-Investment Manager (appointed 3 April 2023)**

Morningstar Investment Management South Africa  
Limited  
5th Floor  
20 Vineyard Road  
Claremont  
7708  
South Africa

**Directors of the Incorporated Cell**

Robert Alastair Rhodes  
Roxanne Power  
Marie Curutchet  
Ferdinand van Heerden  
Kapil Joshi – resigned 25 May 2023  
Ray Mhere – appointed 25 May 2023

**Administrator, Registrar & Secretary**

Northern Trust International Fund Administration  
Services (Guernsey) Limited  
PO Box 255  
Trafalgar Court  
Les Banques  
St Peter Port, Guernsey  
GY1 3QL  
Channel Islands

**Legal Advisor**

Carey Olsen  
Carey House  
Les Banques  
St Peter Port, Guernsey  
GY1 4BZ  
Channel Islands

**Independent Auditor**

Ernst & Young LLP  
PO Box 9  
Royal Chambers  
St Julian's Avenue  
St Peter Port, Guernsey  
GY1 4AF  
Channel Islands

**Custodian**

Northern Trust (Guernsey) Limited  
PO Box 71  
Trafalgar Court  
Les Banques  
St Peter Port, Guernsey  
GY1 3DA  
Channel Islands

### Investment Manager's Report

#### Change of investment manager and benchmark

Management of the fund changed from Momentum Global Investment Management to Morningstar Investment Management South Africa Limited on the 3 April 2023.

#### Performance pre-manager change

Between July 2022 and March 2023, Fintax Balanced returned 3.5% compared to a benchmark return of 5.8%. From an asset allocation perspective, the fund's allocation to precious metals contributed positively to performance, with gold and silver outperforming both bonds and cash. Within fixed income, allocations to asset backed securities (via the TwentyFour Income Fund), emerging market debt, convertible bonds and high yield bonds were also positive. The key detractor was the fund's exposure to listed infrastructure and property, both of which underperformed global equities. From a manager selection perspective, the fund's listed private equity managers, Chrysalis and Schroders, detracted from performance, as did our quality-focused equity managers, Morgan Stanley and Veritas, both of whom lagged the global equity market's return.

#### Performance post-manager change

The Fund returned 4.4% for the quarter and has generated a return of 8.1% over the past year. The Fund's performance over the quarter was in line with its new benchmark (65% MSCI All Country World Index and 35% Bloomberg Global Aggregate USD hedged) and ahead of the peer group average (Morningstar EAA Fund USD Moderate Allocation). Asset Allocation and Manager Selection contributed positively to performance over the quarter.

#### Market Update post-manager change

The second quarter of 2023 saw a wide range of outcomes—generally positive, with some assets remarkably strong—although this was not a synchronized experience. Once again, inflation and interest rates played a prominent role, with inflation retreating at different speeds across the world as interest rates near their expected peaks. Economic resilience was another major theme for the quarter, with stronger than expected growth.

So far, removing the punchbowl hasn't stopped the party. The unwinding of stimulus after a decade of near-zero rates is a complex undertaking, but inflation is coming down and jobs are holding up. Despite clear pressure building in parts of society—especially households and businesses with debt funding needs—a growing base of retirees are embracing higher interest rates.

This contrasts with the original consensus that higher interest rates would tip the economy into recession, knocking indebted companies with no profits out and taking the markets down with it. If anything, the prospect of peak interest rates has supported markets, coupled with a new wave of excitement regarding artificial intelligence.

The hype surrounding artificial intelligence has been extraordinary, specifically regarding natural language processing tools such as ChatGPT. This is driving stocks that may stand to benefit from the unlocking of growth and disruption, as investors wrestle to understand the winners and losers. In part due to this, we witnessed unusually high concentration in a small number of companies dominating the index returns. The "magnificent seven" was a new term coined to celebrate the dominance of a selected few winners.

Resulting from the above, large U.S. growth stocks moved significantly higher, while smaller value stocks lagged. Financials, healthcare, and utilities have all struggled in this environment—but commercial real estate has been the real sore point, with vacancy rates rising and debt issues festering.

Yet, for all the talk about stocks, it is defensive assets that have seen the biggest fundamental shift—and higher than usual volatility.

Bonds delivered mixed results in the second quarter, again heavily influenced by changes in rates and inflation. The banking turmoil didn't roll over into other industries or markets—as feared—creating a tailwind for riskier bonds like corporate high yield. Shorter-dated bonds also held up better than longer-dated bonds.

Investors have clearly moved away from a TINA mentality (there is no alternative) to a TARA mindset (there are reasonable alternatives) with major shifts in the investing landscape.

Among currencies, the big story has been Japanese yen weakness, with relatively low interest rates and inflation persisting in the region. Other major currencies like the US dollar saw only modest movements for the quarter.

### Investment Manager's Report (continued)

#### Portfolio Update post-manager change

Over the quarter Value (Dodge & Cox Worldwide US Stock) underperformed Quality (Natixis Loomis Sayles US Eq leaders and iShares Edge MSCI US Quality Factor). Sectors such as Healthcare (iShares S&P 500 Health Care Sector) and Consumer Staples (SPDR® S&P US Consumer Staples) struggled during the second quarter. The hype around artificial intelligence continued to be a positive for sectors like Technology and Communication Services (Xtrackers MSCI World Comm Services), which acted as a tailwind for Growth funds' performance.

The Emerging Market fund managers (Fidelity Emerging Markets and Lazard Emerging Markets Equity) were able to navigate a very tricky quarter and managed to outperform their benchmarks. Baillie Gifford China, while not able to avoid the losses suffered in China, was able to limit losses.

Colchester Local Markets Bond was a leading contributor to performance over the quarter. The fund manager's security selection and currency allocation both assisted the fund in outperforming its benchmark.

#### Looking Ahead

Given the recent gains, it is healthy to question the likelihood of continued strength. Is it time to batten down the hatches or raise the sail? Markets go up and down, usually supported by the fundamentals of higher profits and economic prosperity beneath them.

Yet, we live in a world of continued uncertainty. Many market commentators are saying this rally marks the start of a new bull market and investors should jump into equities to ride this wave. But others argue it's a bear market rally and investors should get out of stocks while the getting is good.

In our view, the question for investors isn't whether to raise the sails and ride the tailwind of a new bull market, or to batten down the hatches in preparation for a near-term squall, but rather how to best position their portfolios based on today's valuations.

## **Directors' Report**

The Directors present their annual report together with the audited financial statements of Fintax International Balanced Fund IC Limited (the "Incorporated Cell" or "Cell") for the year ended 30 June 2023.

## **Principal activities**

The Cell with company number 47770 is a Guernsey registered, Limited Liability Incorporated Cell of Momentum Mutual Fund ICC Limited (the "Company"). The activities and objectives of the Cell can be found in note 1 on page 18.

## **Going concern**

The Directors have made an assessment of going concern including consideration of geo-political issues on the Cell. Refer to note 2 for the detailed disclosure.

## **Directors**

The Directors of the Cell during the year and at the date of this report are set out on page 3.

## **Directors' interests**

None of the Directors who held office during the year and at the date of this report had any disclosable interests in the shares of the Incorporated Cell.

## **Directors' responsibilities**

The Directors are responsible for preparing the financial statements for each financial year, which give a true and fair view, in accordance with applicable Guernsey law and International Financial Reporting Standards, of the state of affairs of the Incorporated Cell and of the profit or loss of the Incorporated Cell for that period. In preparing these financial statements the Directors are required to:

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

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Incorporated Cell and enable them to ensure that the financial statements comply with The Companies (Guernsey) Law, 2008 and The Protection of Investors (Bailiwick of Guernsey) Law, 2020. They are also responsible for safeguarding the assets of the Incorporated Cell and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each Director is aware, there is no relevant audit information of which the Incorporated Cell's auditor is unaware and each Director has taken all the steps they ought to have as a Director to make themselves aware of any relevant audit information and to establish that the Incorporated Cell's auditor is aware of that information.

The Board of Directors confirms that, throughout the period covered by the financial statements, the Cell complied with the Code of Corporate Governance issued by the Guernsey Financial Services Commission, to the extent it was applicable based upon its legal and operating structure and its nature, scale and complexity.

**Directors' Report (continued)**

**Directors' responsibilities (continued)**


The annual report together with the audited financial statements of the Incorporated Cell are published on the Manager's website. The Manager is responsible for the maintenance and integrity of the website; the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may occur to the financial statements after they are initially presented on the website. The Directors appreciate there is uncertainty regarding legal requirements of information published on the internet as it is accessible in many countries and legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Independent auditor**

Ernst & Young LLP have indicated their willingness to continue in office. The reappointment of Ernst & Young LLP will be proposed within the next written resolution to deal with annual business.



**Marie Curutchet**  
**Director**  
6 October 2023



**Robert Rhodes**  
**Director**



## **Independent Auditor's Report to the Members of Fintax International Balanced Fund IC Limited**

### **Opinion**

We have audited the financial statements of Fintax International Balanced Fund IC Limited (the "Incorporated Cell") for the year ended 30 June 2023 which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Net Assets Attributable to Holders of Participating Redeemable Shares, and the related notes 1 to 17, 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 Incorporated Cell's affairs as at 30 June 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards; and
- have been properly prepared in accordance with the requirements of The Companies (Guernsey) Law, 2008 and The Protection of Investors (Bailiwick of Guernsey) Law, 2020.

### **Basis for opinion**

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

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

### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Incorporated Cell's ability to continue as a going concern for the period to 31 December 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Incorporated Cell's ability to continue as a going concern.

### **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 contained within the annual report.

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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.



## **Independent Auditor's Report to the Members of Fintax International Balanced Fund IC Limited (continued)**

### **Matters on which we are required to report by exception**

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

- proper accounting records have not been kept by the Incorporated Cell; or
- the financial statements are not in agreement with the Incorporated Cell'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 6, 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 Incorporated Cell'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 Incorporated Cell 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.

### ***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Incorporated Cell and determined that the most significant are those that relate to the reporting framework (International Financial Reporting Standards, The Companies (Guernsey) Law, 2008 and the Protection of Investors (Bailiwick of Guernsey) Law, 2020);
- We understood how the Incorporated Cell is complying with those frameworks by making enquiries of management and those responsible for compliance matters and corroborated this by reviewing minutes of meetings of the Board of Directors and correspondence between the Incorporated Cell and the Guernsey Financial Services Commission. We gained an understanding of the Board's approach to governance, demonstrated by its review of compliance reports, the investment manager's reports and internal control processes;
- We assessed the susceptibility of the Incorporated Cell's financial statements to material misstatement, including how fraud might occur by considering the risk of management override and by identifying the valuation of investments (specifically manual price overrides) and the recognition of dividend income at year-end (cut-off) as fraud risks. We considered the controls the Incorporated Cell has established to address the risk identified by the directors or that otherwise seek to prevent, detect or deter fraud and how management and those charged with governance monitor those controls. We also considered the existence of any stakeholder influences which may cause management to seek to manipulate the financial performance and did not note any;



**Independent Auditor's Report to the Members of Fintax International Balanced Fund IC Limited (continued)**


***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)***

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the review of minutes of meetings of the Board of Directors; review of compliance reports; review of correspondence with the Guernsey Financial Services Commission; making inquiries of those charged with governance; and performance of journal entry testing based on our risk assessment and understanding of the business, with a focus on non-standard journals and those relating to areas with an identified associated fraud risk, as described above.

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

**Use of our report**



This report is made solely to the Incorporated Cell's members, as a body, in accordance with Section 262 of The Companies (Guernsey) Law 2008 and Paragraph 4.2(4) of the Authorised Collective Investment Schemes (Class B) Rules and Guidance, 2021. Our audit work has been undertaken so that we might state to the Incorporated Cell '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 Incorporated Cell and the Incorporated Cell's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
4753914588A54C3...  
**Ernst & Young LLP**  
**Guernsey, Channel Islands**  
**Date:** 11 October 2023



**Custodian's Report to the Members of Fintax International Balanced Fund IC Limited**

In our opinion, the Cell has, in all material aspects, been managed for the year ended 30 June 2023 in accordance with the provisions of the Principal Documents, Scheme Particulars and The Authorised Collective Investment Schemes (Class B) Rules and Guidance 2021.

**For and on behalf of**  
**Northern Trust (Guernsey) Limited**  
6 October 2023



Supplementary Information

	30.06.23	30.06.22
<b>1. NUMBER OF SHARES OUTSTANDING</b>		
Class A	11,181,432	12,828,960
<b>2. NET ASSET VALUE PER SHARE - USD</b>		
Class A	1.57	1.45
<b>3. HIGHEST/LOWEST PRICE - USD*</b>		
Class A	1.58 / 1.33	1.76 / 1.45
<b>4. NUMBER OF SHARES SUBSCRIBED</b>		
Class A	-	74,861
<b>5. NUMBER OF SHARES REDEEMED</b>		
Class A	1,647,528	1,134,441

\*The highest/lowest price is based on prices from prior year end to current year end, being 30.06.2023.

**Portfolio Statement**

	<b>Holdings</b>	<b>Fair Value USD</b>	<b>% of Net Assets</b>
<b>Financial assets at fair value through profit or loss</b>			
<b>Government Bonds: 0.00% (2022: 6.78%)</b>		-	-
<b>Equities: 0.00% (2022: 5.47%)</b>		-	-
<b>Collective Investment Schemes: 95.24% (2022: 86.12%)</b>			
<b>Alternative Investment Schemes Funds</b>			
Colchester Global Investors	71,113	718,582	4.09
<b>Total Alternative Investment Schemes Funds</b>		<b>718,582</b>	<b>4.09</b>
<b>Equity Funds</b>			
Baillie Gifford China Fund - Class B Shares	73,076	424,205	2.41
Dodge & Cox Worldwide Funds	31,732	1,257,222	7.16
Fidelity Funds - Emerging Markets Fund	37,583	535,934	3.05
Franklin Templeton	14,901	375,297	2.14
iShares Core FTSE 100 UCITS ETF	3,385	596,726	3.40
iShares Core S&P 500 UCITS ETF	4,326	2,000,559	11.39
iShares Edge MSCI USA Quality Factor UCITS ETF	107,858	1,191,292	6.78
iShares S&P 500 Health Care Sector UCITS ETF	42,560	435,814	2.48
Lazard Asset Management	577,274	628,363	3.58
Loomis Sayles U.S. Equity Leaders Fund	330,177	1,296,440	7.38
Schroder European Fund - Class Z Accumulation GBP	227,636	415,586	2.37
SPDR MSCI World Financials UCITS ETF	12,091	619,180	3.52
SPDR S&P U.S. Consumer Staples Select Sector UCITS ETF	9,331	342,728	1.95
Vanguard FTSE Japan UCITS ETF	27,398	791,939	4.51
Xtrackers DAX UCITS ETF	3,131	522,414	2.97
Xtrackers MSCI World Communication Services UCITS ETF	15,714	263,838	1.50
<b>Total Equity Funds</b>		<b>11,697,537</b>	<b>66.59</b>
<b>Fixed Income Funds</b>			
Robeco Global Credits	15,637	1,483,482	8.44
SPDR Bloomberg 10+ Year U.S. Treasury Bond UCITS ETF	25,255	610,941	3.48
State Street Global Treasury Bond Index Fund	40,284	514,298	2.93
Vanguard USD Treasury Bond UCITS ETF	68,613	1,706,405	9.71
<b>Total Fixed Income Funds</b>		<b>4,315,126</b>	<b>24.56</b>
<b>Total Collective Investment Schemes</b>		<b>16,731,245</b>	<b>95.24</b>
<b>Options: 0.00% (2022: 0.84%)</b>			
<b>Financial assets at fair value through profit or loss</b>		<b>16,731,245</b>	<b>95.24</b>
<b>Other Net Assets: 4.76% (2022: 0.79%)</b>		<b>836,421</b>	<b>4.76</b>
<b>Net Assets Attributable To Holders Of Participating Redeemable Shares</b>		<b>17,567,666</b>	<b>100.00</b>

**Statement of Financial Position**

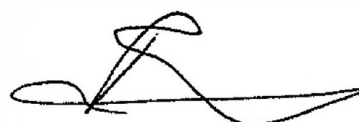
	Notes	As at 30.06.23 <u>USD</u>	As at 30.06.22 <u>USD</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Financial assets at fair value through profit or loss	6	16,731,245	18,446,305
Cash and cash equivalents	7	858,078	20,933
Securities sold receivable		-	197,156
Interest receivable		1,295	3,284
Other receivables	9	304	372
<b>Total assets</b>		<b>17,590,922</b>	<b>18,668,050</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Fair value of derivative financial instruments	6,8	-	53,772
Other payables	10	23,254	21,390
Liabilities (excluding net assets attributable to holders of participating redeemable shares)		23,254	75,162
Net assets attributable to holders of participating redeemable shares	3,12	17,567,666	18,592,886
<b>Total liabilities</b>		<b>17,590,920</b>	<b>18,668,048</b>
<b>SHAREHOLDERS' EQUITY</b>			
Management shares	11	2	2
<b>Total equity</b>		<b>2</b>	<b>2</b>
<b>Total equity and liabilities</b>		<b>17,590,922</b>	<b>18,668,050</b>
<b>Net asset value per participating redeemable share</b>	12	1.57	1.45

The notes 1 to 17 on pages 18 to 35 form part of these financial statements.

These financial statements were authorised for issue by the Board of Directors on 6 October 2023 and signed on its behalf by:



**Marie Curutchet**  
Director



**Robert Rhodes**  
Director

**Statement of Comprehensive Income**

		Year ended 30.06.23	Year ended 30.06.22
	Notes	<u>USD</u>	<u>USD</u>
<b>INCOME</b>			
Net realised gains on financial assets at fair value through profit or loss	6	1,756,830	1,226,123
Change in unrealised losses on financial assets at fair value through profit or loss	6	(322,065)	(4,220,169)
Net gains/(losses) on financial assets at fair value through profit or loss		1,434,765	(2,994,046)
Deposit interest		13,436	-
Bond income		16,800	7,002
Dividend income		150,870	165,853
Net losses on forward derivative contracts		(82,186)	(46,891)
Other foreign exchange losses		(6,251)	(201,589)
Other gains/(losses)		5,313	(912)
<b>Total net income/(loss)</b>		<b>1,532,747</b>	<b>(3,070,583)</b>
<b>OPERATING EXPENSES</b>			
Audit fee		(8,780)	(8,268)
Custodian fee	14	(11,284)	(15,510)
Investment Management fee	14	(33,585)	(56,100)
Management and Administration fee	14	(26,875)	(49,717)
Management, Investment Management and Administration fee	14	(10,727)	-
Sub-Investment Management Fee	14	(8,591)	-
Deposit interest		(318)	(71)
Directors' fee	14	(2,500)	-
Sundry expenses		(8,796)	(4,565)
<b>Total operating expenses</b>		<b>(111,456)</b>	<b>(134,231)</b>
<b>Net profit/(loss) before tax</b>		<b>1,421,291</b>	<b>(3,204,814)</b>
Withholding tax		(5,155)	(7,672)
<b>Increase/(decrease) in net assets attributable to holders of participating redeemable shares from operations</b>		<b>1,416,136</b>	<b>(3,212,486)</b>

All items in the above statement derive from continuing operations. There is no difference between the increase/(decrease) in net assets attributable to holders of participating redeemable shares and comprehensive income.

The notes 1 to 17 on pages 18 to 35 form part of these financial statements.



**Statement of Cash Flows**

	Year ended 30.06.23 USD	Year ended 30.06.22 USD
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Increase/(decrease) in net assets attributable to holders of participating redeemable shares from operations	1,416,136	(3,212,486)
<b>ADJUSTMENT FOR:</b>		
Net realised gains on financial assets at fair value through profit or loss	(1,756,830)	(1,226,123)
Net unrealised losses on financial assets at fair value through profit or loss	322,065	4,220,169
Net losses on forward derivative contracts	82,186	46,891
Effect of foreign exchange rate on cash	26,358	-
Dividend income	(150,870)	(165,853)
Withholding tax	5,155	7,672
<b>Operating loss before working capital changes</b>	<b>(55,800)</b>	<b>(329,730)</b>
Net decrease in other receivables	2,057	535
Net increase/(decrease) in other payables	1,864	(2,470)
Purchase of financial assets at fair value through profit or loss	(22,699,198)	(8,471,745)
Sale of financial assets at fair value through profit or loss	26,046,179	10,336,662
Net settlement of forward derivative contracts	(135,958)	179,147
Dividend received	145,715	158,181
<b>Net cash generated from operating activities</b>	<b>3,304,859</b>	<b>1,870,580</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Cash received from issuance of participating redeemable shares	-	151,477
Cash paid on redemption of participating redeemable shares	(2,441,356)	(1,882,474)
<b>Net cash used in financing activities</b>	<b>(2,441,356)</b>	<b>(1,730,997)</b>
<b>Net increase in cash and cash equivalents</b>	<b>863,503</b>	<b>139,583</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>20,933</b>	<b>82,939</b>
Effect of foreign exchange rate on cash	(26,358)	(201,589)
<b>Cash and cash equivalents at the end of the year</b>	<b>858,078</b>	<b>20,933</b>

The notes 1 to 17 on pages 18 to 35 form part of these financial statements.



Statement of Changes in Net Assets Attributable to Holders of Participating Redeemable Shares

	Notes	Year ended 30.06.23 USD	Year ended 30.06.22 USD
Net assets attributable to holders of participating redeemable shares at the beginning of the year		18,592,886	23,559,983
Proceeds from issuance of participating redeemable shares		-	127,863
Payments on redemption of participating redeemable shares		(2,441,356)	(1,882,474)
Increase/(decrease) in net assets attributable to holders of participating redeemable shares from operations		1,416,136	(3,212,486)
Net assets attributable to holders of participating redeemable shares at the end of the year	12	17,567,666	18,592,886

The notes 1 to 17 on pages 18 to 35 form part of these financial statements.

**Notes to the Financial Statements****1. General information**

The Fintax International Balanced Fund IC Limited (the "Incorporated Cell" or "Cell") with company number 47770, is a Guernsey registered, Limited Liability Incorporated Cell of Momentum Mutual Fund ICC Limited (the "Company").

The Cell's objective is achieving a balance of capital preservation and appreciation. A significant proportion of the portfolios will be held in the base currency. The portfolios will also invest into a wide range of other asset classes, including equities and property and so some degree of volatility is to be expected.

The Cell intends to achieve its investment objectives by investing globally, primarily via other collective investment schemes, in a wide range of asset classes including cash, bonds and equities. The Cell is suitable for investors with a time horizon of 3 to 5 years. The Cell may invest in the units of collective investment schemes which are also managed by the Investment Manager or an associate of the Investment Manager. The Cell may invest in forward foreign currency exchange contracts to reduce its currency exposure.

The Cell's investment activities are managed by Momentum Wealth International Limited (the "Manager") with the investment management delegated to Momentum Global Investment Management Limited (the "Investment Manager") and Morningstar Investment Management South Africa Limited (the "Sub-Investment Manager").

On 3 April 2023, amendments were made to the Supplemental Prospectus of the Cell which were as follows:

The investment policy and investment restrictions was amended as follows:

- The Cell may no longer invest in alternative strategies or insurance products;
- In the case of investments in transferable securities issued by the Cell shall not have more than a 5% exposure, on its portfolio, to any individual share or security with a market capitalisation of less than USD 1 billion at the time of purchase;
- No borrowing will be undertaken by the Cell, other than to meet short-term liquidity requirements in the Cell for the purpose of the payment of obligations in relation to the administration of the scheme relating to settlement of purchase and sale transactions and redemptions of Participating Shares. Borrowings will not exceed 10% of the NAV of the Cell. For such purpose, the securities of the Cell may be pledged;
- The Cell will not invest in a fund of funds or a feeder fund;
- All equity securities and exchange traded funds (or other similar schemes held by the Cell) will be listed for trading on exchanges that have obtained full membership of the World Federation of Exchanges, or listed on exchanges that have been subject to the due diligence guidelines prescribed in Board Notice 90 of 2014, Chapter VI or listed on exchanges;
- Investment in commodities will be restricted to instruments that track the performance of certain commodities that derive their value from precious metals (such underlying metals will be those defined in terms of the South African Precious Metals Act, 37 of 2005);
- Investment in an instrument that compels the acceptance of physical delivery of a commodity is now prohibited;
- The Cell will not include any derivative instruments with the exception of:
  - (i) Investment in forward foreign currency exchange contracts for the purpose of mitigating exchange rate risk against both the benchmark and the base currency; and
  - (ii) Exchange-traded derivatives for the purpose of risk mitigation within the portfolio. Derivatives will not be used for speculative purposes.
- The Cell will not hold any direct investment in real estate;
- The Cell may not hold any collective investment schemes which are unregulated; and
- The Cell will not invest in synthetic exchange traded funds or exchange traded funds with leveraged exposure to underlying assets.

Morningstar Investment Management South Africa Limited was appointed Sub-Investment Manager. Details of the fees paid to the Sub-Investment Manager are on note 14.4.

The minimum fee paid to the Manager was set at US\$25,000.

The Manager shall settle the fees of the Administrator and the Investment Manager on behalf of the Cell from the proceeds of the Management Fee.

The Distribution Partner will no longer be paid a fee.

**Notes to the Financial Statements (continued)****1. General information (continued)**

A Director's fee of US\$10,000 per annum shall apply in respect of the Cell. In addition, the Directors shall be entitled to be repaid for all reasonable out of pocket expenses properly incurred by them in the performance of their duties to the Cell. Such fees and expenses shall be paid out of the assets of the Cell alone and not from the cellular assets of other Cells of the Company or assets of the Company itself.

The risk warnings were updated to be reflective of the Cell Amendments.

The financial statements were authorised for issue by the Board of Directors on 6 October 2023.

**2. Summary of significant accounting policies**

The principal accounting policies detailed below have been consistently applied in the preparation of the financial statements.

**2.1 Basis of preparation**

The financial statements for the Incorporated Cell have been prepared on a going concern basis, in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss (including derivative financial instruments).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates, which are disclosed in note 4 of these Incorporated Cell's financial statements. It also requires the Board of Directors to exercise its judgement in the process of applying the Incorporated Cell's accounting policies.

**Going concern**

At the time of approving the financial statements, the Board has assessed redemption levels and there have been no significant redemptions. The Board has also considered the liquid nature of the investment portfolio, the absence of any borrowings or commitments and the economic viability of the Cell which is driven by its net asset value.

After careful consideration, the Board is satisfied that the Cell has sufficient liquidity to meet its liabilities for the period to 31 December 2024 and therefore it is appropriate to adopt the going concern basis in preparing the financial statements and they have a reasonable expectation that the Cell will continue in existence as a going concern.

**2.2 Adoption of new and revised standards**

The Directors have adopted a policy of applying new standards and interpretations when they become effective.

*Standards, amendments and interpretations effective during the year*

The following accounting standards, amendments and interpretations became effective for the first time in this reporting period:

Periods beginning on or after 1 January 2022:

(a) IFRS 9 - Fees in the '10 per cent' Test for Derecognition of Financial Liabilities - Amendment to clarify the fees a company includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.

The adoption of this standard has not had a material impact on the financial statements of the Incorporated Cell.

**Notes to the Financial Statements (continued)****2. Summary of significant accounting policies****2.2 Adoption of new and revised standards (continued)**

*Standards, amendments and interpretations effective during the year (continued)*

(b) IFRS 3 - Updating a Reference to the Conceptual Framework - Amendments updated IFRS 3 by replacing a reference to an old version of the Board's Conceptual Framework for Financial Reporting with a reference to the latest version.

The adoption of this standard has not had a material impact on the financial statements of the Incorporated Cell.

*Standards, amendments and interpretations in issue not yet effective*

A number of new standards, amendments and interpretations are effective for annual periods beginning on or after 1 January 2023 and have not been early adopted in preparing these financial statements. These include:

(a) IAS 1 - Definition of Accounting Estimates (Amendments to IAS 8) - Effective from 1 January 2023 - Amendments regarding classification of liabilities and disclosure of accounting policies.

(b) IAS 1 - Disclosure Initiative - Accounting Policies - Effective from 1 January 2023 - Amendments to help entities apply materiality judgements to accounting policy disclosure.

The Board anticipates that the adoption of these standards, which will be adopted in the period which they become effective, will not have a material impact on the financial statements of the Cell.

**2.3 Foreign currency translation**

(a) Functional and presentation currency

The currency in which the financial information is shown in the financial statements of the Incorporated Cell is deemed to be its functional and presentational currency. In arriving at the functional currency, the Directors have considered the primary economic environment of the Incorporated Cell, and in doing so have considered the currency in which the original capital was raised, any distributions are to be made, performance is evaluated and ultimately, the currency in which capital would be returned on break up basis. They have also considered the currency to which the majority of the underlying investments are exposed and liquidity is managed. The Directors are of the opinion that the currency selected best represent the functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income. Translation differences on non-monetary financial assets and liabilities such as equities at fair value through profit or loss are recognised in the Statement of Comprehensive Income within the fair value net gain or loss.

**2.4 Financial assets and financial liabilities at fair value through profit or loss**

(a) Classification

The Incorporated Cell classifies its investments in Collective Investment Schemes, equities, and related derivatives as financial assets or financial liabilities at fair value through profit or loss. These financial assets and financial liabilities are classified by the Board of Directors at fair value through profit or loss at inception. The Incorporated Cell does not classify any derivatives as hedges in a hedging relationship. Financial assets and financial liabilities are designated at fair value through profit or loss at inception, are managed, and their performance evaluated on a fair value basis in accordance with the Incorporated Cell's documented investment strategy. The Incorporated Cell's policies are for the Investment Manager and the Board of Directors to evaluate the information about these financial assets on a fair value basis together with other related financial information.

**Notes to the Financial Statements (continued)****2. Summary of significant accounting policies (continued)****2.4 Financial assets and financial liabilities at fair value through profit or loss (continued)****(b) Recognition/derecognition**

Regular-way purchases and sales of investments are recognised on the trade date of the underlying security, so long as the underlying transaction has been confirmed by the relevant counterparty as at the Statement of Financial Position date. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Incorporated Cell has transferred substantially all risks and rewards of ownership.

**(c) Measurement**

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed in the Statement of Comprehensive Income of the Incorporated Cell. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the Statement of Comprehensive Income in the period in which they arise.

**(d) Fair value estimation**

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 of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Incorporated Cell adopted to utilise the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value. As a practical expedient to establish fair value within the bid-ask spread, management will use mid-market pricing. The market price used for assets which are not traded in active markets are those as supplied by their fund administrators.

**2.5 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

**2.6 Forward currency contracts**

Forward foreign currency contracts are treated as derivative contracts and as such are recognised at fair value on the date on which they are entered into and subsequently remeasured at their fair value. Fair value is determined by rates in active currency markets. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. The gain or loss on remeasurement to fair value is recognised immediately through profit or loss in the Statement of Comprehensive Income within other losses and gains in the period in which they arise.

**2.7 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

**2.8 Other financial instruments**

For other financial instruments, including amounts due to and from brokers and all receivables and payables, the carrying amounts as shown in the Statement of Financial Position approximate to fair value due to the short-term nature of these financial instruments.

**2.9 Share capital**

The Incorporated Cell has an authorised share capital of 100 management shares of USD1.00 each and an unlimited number of no par value participating redeemable shares.

**Notes to the Financial Statements (continued)****2. Summary of significant accounting policies (continued)****2.9 Share capital (continued)****(a) Management shares**

Management shares were issued to comply with Guernsey Company Law, prior to its revision in 2008, under which there had to be a class of non-redeemable shares in issue in order that participating redeemable shares may be issued. The management shares are beneficially owned by the Manager, do not carry any right to dividends, are only entitled to vote at shareholder meetings where there are no participating redeemable shares in issue within the Incorporated Cell and are only entitled to return of capital on the winding up of the Incorporated Cell.

The Incorporated Cell has issued 2 management shares.

**(b) Participating redeemable shares**

The Incorporated Cell's capital is represented by participating redeemable shares with no par value, each carrying one vote, no matter which share class. Each share class carries identical rights, the only difference between the classes being either the management fee or the distribution partner fee which is charged to each class. These fees are disclosed in note 14.

The participating redeemable shares are redeemable at the holder's option and are classified as financial liabilities. Participating redeemable shares can be put back to the Incorporated Cell at any time for cash equal to a proportionate share of the Incorporated Cell's net asset value. The participating redeemable share is carried at the redemption amount that is payable at the Statement of Financial Position date if the holder exercises the right to put the share back to the Incorporated Cell.

All participating redeemable shares will rank equally for all dividends and other distributions, as adjusted to reflect any differences in the fees to which each class of participating redeemable share is subject. They are entitled to payment of a proportionate share based on the Cell's net asset value per share on the redemption date. The Cell has no restrictions or specific capital requirements on the subscriptions and redemptions of shares. The relevant movements are shown on the Statement of Changes in Net Assets Attributable to Holders of Participating Redeemable Shares. In accordance with the Cell's investment objectives, and its risk management policies, the Cell endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowings or disposal of listed securities where necessary.

To determine the net asset value of the Cell for subscriptions and redemptions, investments have been valued based on the last traded market prices as of the close of business on the relevant trading day.

**2.10 Increase/(decrease) in net assets attributable to holders of participating redeemable shares from operations**

Income not distributed is included in Net Assets Attributable to Holders of Participating Redeemable Shares of the Incorporated Cell's financial statements.

**2.11 Capital risk management**

The fair value of the Cell's financial assets and financial liabilities approximate to their carrying amounts at the reporting date. For the purposes of this disclosure, shares are considered to be capital.

The Incorporated Cell's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders. There are no externally imposed capital requirements on the Incorporated Cell. The Cell has no intention to borrow, other than to fund short-term liquidity requirements. The Incorporated Cell may arrange an overdraft facility for such purposes.

**2.12 Interest and dividend income**

Dividend income is recognised when the right to receive payment is established. All deposit interest and other income is accounted for on an accrual basis.



**Notes to the Financial Statements (continued)**

**2. Summary of significant accounting policies (continued)**

**2.13 Expenses**

Expenses are accounted for on an accruals basis and all amounts have been allocated to the Statement of Comprehensive Income.

**2.14 Custodian bank charges**

Custodian bank charges include additional fees on top of the asking price of the security. The bid-asking spread is not disclosed as part of a custodian bank charge. This spread is included in the Statement of Comprehensive Income within the fair value net gain or loss.

**2.15 Taxation**

The Cell has been granted Exempt Status under the terms of The Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 to income tax in Guernsey. Its liability is an annual fee of £1,200 (2022: £1,200).

The Cell incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the Statement of Comprehensive Income. Withholding taxes are shown as a separate item in the Statement of Comprehensive Income.

**3. Financial risk management**

**3.1 Strategy in using financial instruments**

The Cell's activities and investment objectives expose it to a variety of financial risks: market risk (which is made up of price risk, interest rate risk and currency risk), credit risk and liquidity risk (including cash flow risk). The Cell's overall risk management programme seeks to maximise the return derived for the level of risk to which the Cell is exposed and focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Cell's financial performance. The following policies and procedures to mitigate risk have been in place throughout the year.

The Cell's policies allow it to use derivative financial instruments to both moderate and create certain risk exposure. The fair value of derivative financial instruments as at 30 June 2022 is disclosed under note 8 of these financial statements.

**3.2 Market price risk**

Market price risk is the risk that the fair value of future cash flows will fluctuate because of changes in market prices, other than those arising from currency or interest rate risk. The Cell is subject to market price risk as it trades primarily in collective investment schemes. Through its investment in traded securities and instruments, the Cell is subject to market movements in the equity and bond markets.

All investments present a risk of loss of capital. The Investment Manager moderates this risk through a careful selection of securities and other financial instruments within specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Cell's overall market positions are monitored by the Investment Manager and are reviewed by the Board of Directors.

The Cell's market price risk is managed through diversification of the investment portfolio by exposures to varying product categories, hence concentration of risk is minimised. At the year end, the financial assets at fair value through profit or loss which are subject to market price risk, are as follows:

	<b>2023</b>		<b>2022</b>	
	<b>Fair Value</b>	<b>% of net</b>	<b>Fair Value</b>	<b>% of net</b>
	<b><u>USD</u></b>	<b>assets</b>	<b><u>USD</u></b>	<b>assets</b>
Collective Investment Schemes	16,731,245	95.24	16,012,598	86.12
Equities	-	-	1,017,303	5.47
Government Bonds	-	-	1,260,464	6.78
Options	-	-	155,940	0.84
	<b>16,731,245</b>	<b>95.24</b>	<b>18,446,305</b>	<b>99.21</b>

**Notes to the Financial Statements (continued)**
**3. Financial risk management (continued)**
**3.2 Market price risk (continued)**

The Cell's market price risk is affected by three main components: changes in actual market prices, interest rate and foreign currency movements. Interest rate and foreign currency exchange rate movements are covered in notes 3.3 and 3.5, respectively. If the market indexes increased or decreased by 10% with all other variables held constant, the increase or decrease respectively in net assets attributable to holders of participating redeemable shares would amount to:

<b>As at 30 June</b>	<b>2023</b>	<b>2022</b>
	<b>Change in</b>	<b>Change in</b>
	<b>fair value</b>	<b>fair value</b>
	<b>USD</b>	<b>USD</b>
Collective Investment Schemes	1,673,125	1,601,260
Equities	-	101,730
Government Bonds	-	126,046
Options	-	15,594
	<b>1,673,125</b>	<b>1,844,630</b>

**3.3 Interest rate risk**

The Cell's interest-bearing financial assets and liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on their financial position and cash flows.

The majority of the Cell's financial assets and liabilities are non-interest bearing. As a result, the Cell is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

The table below summarises the Cell's exposure to interest rate risks. It includes the Cell's assets and trading liabilities at fair values, all of which have contractual re-pricing or maturity dates within one month.

<b>As at 30 June</b>	<b>2023</b>	<b>2022</b>
	<b>USD</b>	<b>USD</b>
Net financial assets on which no interest is paid	16,709,588	18,625,725
Net floating rate financial assets	858,078	20,933

Should interest rates have increased/decreased by 50 basis points with all other variables remaining constant, the increase/decrease in the net assets attributable to participating redeemable shareholders would amount to approximately:

<b>As at 30 June</b>	<b>2023</b>	<b>2022</b>
	<b>USD</b>	<b>USD</b>
Movement in net floating rate financial assets	4,290	105

**3.4 Cash flow risk**

The Cell holds a limited amount of cash and cash equivalents that expose the Cell to cash flow interest rate risk. The risk exposure here is deemed minimal.

**Notes to the Financial Statements (continued)**

**3. Financial risk management (continued)**

**3.5 Currency risk**

Currency risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign currency exchange rates. The Cell holds assets, including investments denominated in currencies other than its functional currency, US Dollar, and therefore it is exposed to currency risk. The exposures are based on the currencies of the underlying assets in the Cell. Investments made via Collective Investment Funds are treated as a single asset with its currency of exposure being assumed to be its reporting currency.

The table below summarises the Cell's exposure to currency risks:

<b>As at 30 June</b>	<b>2023 USD</b>	<b>2022 USD</b>
EUR exposure	2,076	(22,735)
GBP exposure	1,952,132	4,136,622
JPY exposure	352,731	(63,802)
SGD exposure	233	227
ZAR exposure	(913)	-

In accordance with the Cell's policies, the Investment Manager monitors the Cell's currency position on a regular basis, and the Board of Directors reviews it periodically. The Cell has the ability to enter into forward foreign exchange contracts in an attempt to mitigate any significant currency risk. Such contracts are used on a regular basis. The contracts which are outstanding at the year end are disclosed in note 8.

Should the Cell's functional currency have strengthened or weakened by 5% against other currencies to which it is exposed and all other variables, including the price of all investments, had held constant, the net asset attributable to participating redeemable shareholders would have increased, or decreased, as follows:

<b>As at 30 June</b>	<b>2023 USD</b>	<b>2022 USD</b>
EUR exposure	104	(1,137)
GBP exposure	97,607	206,831
JPY exposure	17,637	(3,190)
SGD exposure	12	11
ZAR exposure	(46)	-

**3.6 Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

There is a risk that an investee company may be unable to satisfy a valid redemption request made by the Cell. The Directors consider that the Investment Manager mitigates this risk by way of its investment process, as described in note 3.2. No such redemption problems have been encountered.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. Delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. Given the relatively short settlement period, and the high credit quality of the brokers used, the risk here is considered to be minimal.

The Cell manages its exposure to credit risk associated with its cash deposits by selecting Northern Trust (Guernsey) Limited as the counterparty to hold all cash deposits for the Cell. The Northern Trust Company is a wholly owned subsidiary of the Northern Trust Corporation. The credit rating for Northern Trust Corporation from Standard and Poor's is A+. The credit rating from Moody's is A2.

The Government bonds held in the Cell's portfolio are Aaa and Aa2 rated by Moody's.



Notes to the Financial Statements (continued)

3. Financial risk management (continued)

3.6 Credit risk (continued)

The Cell's maximum exposure to credit risk is the carrying value of the assets on the Statement of Financial Position.

3.7 Liquidity risk

Liquidity risk is the risk that the Cell will encounter difficulty in meeting obligations associated with their financial liabilities. The main liquidity risk is the risk that the Cell may be unable to recover funds invested through the usual redemption processes which may result in the Cell having insufficient funds to settle a transaction on the due date. Due to the nature of the Cell, the majority of investments held are in marketable securities that are readily tradable and have reported no warnings regarding their ability to process redemptions as normal.

The Cell has the ability to borrow to meet short-term liquidity requirements, however, to date, the Cell has not entered into such arrangements.

The table below analyses the Cell's financial assets and financial liabilities into relevant maturity groupings based on the remaining period at the Statement of Financial Position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month USD	Between 1 and 12 months USD	2023 Total USD	2022 Total USD
Financial assets at fair value through profit or loss	16,731,245	-	16,731,245	18,446,305
Cash and cash equivalents	858,078	-	858,078	20,933
Securities sold receivable	-	-	-	197,156
Interest receivable	1,295	-	1,295	3,284
Other receivables	302	-	302	370
Fair value of derivative financial	-	-	-	(53,772)
Other payables	(23,254)	-	(23,254)	(21,390)
Net assets attributable to participating redeemable shareholders	(17,567,666)	-	(17,567,666)	(18,592,886)
<b>Net liquidity position</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Participating redeemable shares are redeemed on demand at the holder's option. However, the Board of Directors does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash flows, as holders of these instruments typically retain them for the medium to long term.

3.8 Management of capital

The Board, with the assistance of the Investment Manager, manages the capital of the Cell in accordance with the investment objectives and policies. The Cell's overall strategy remains unchanged.

The Cell has no externally imposed capital requirements.

3.9 Fair value disclosure

In the opinion of the Directors, there are no material differences between the net asset values of the underlying asset and fair values of the financial assets and liabilities.

4. Critical accounting estimates and judgements

The fair value of investments is considered to be the quoted, active market prices, or prices as supplied by the fund administrators of the Cell's underlying investments.

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



Notes to the Financial Statements (continued)

4. Critical accounting estimates and judgements (continued)

The fair value of investments in investee funds that are not quoted in an active market is determined primarily by reference to the latest available redemption price of such units for each investee fund, as determined by the administrator of such investee fund. The Investment Manager may make adjustments to the reported net asset value of various investee funds based on considerations such as:

- the liquidity of the investee fund or its underlying investments;
- the value date of the net asset value provided;
- any restrictions on redemptions; and
- the basis of accounting and, in instances where the basis of accounting is other than fair value, fair valuation information provided by the investee fund’s advisors.

The prices are reviewed by the Investment Manager on a periodic basis. The Cell does not hold any Level 3 investments.

5. Portfolio analysis

The Cell's portfolios are organised by focusing on the type of security held, and then secondarily by geographical analysis based on the location of the investment.

The Cell operates using the main sector types which are disclosed in note 3.2 and the following main geographical areas:

	2023 USD	2022 USD
Asia (excluding Japan)	535,934	1,958,703
Cayman Islands	514,298	3,142,341
Channel Islands	-	586,328
China	424,205	-
Emerging	628,363	1,056,723
Europe	12,074,783	7,127,305
Japan	-	427,261
United Kingdom	-	2,154,361
United States	2,553,662	1,993,283
	<b>16,731,245</b>	<b>18,446,305</b>

The geographical segment for listed non-monetary financial assets is considered to be the place of primary listing and for non-listed financial assets where the underlying investment is domiciled.

**Notes to the Financial Statements (continued)**
**6. Financial assets at fair value through profit or loss**

	<b>2023</b>	<b>2022</b>
	<b>USD</b>	<b>USD</b>
<b>Financial assets at fair value through profit or loss:</b>		
Collective Investment Schemes	16,731,245	16,012,598
Equity Funds	-	1,017,303
Government Bonds	-	1,260,464
Options	-	155,940
<b>Total financial assets at fair value through profit or loss</b>	<b>16,731,245</b>	<b>18,446,305</b>
<b>Movement on financial assets at fair value through profit or loss</b>		
Fair value of financial assets at the beginning of the year	18,446,305	23,364,152
Purchases of financial assets	22,699,198	8,435,017
Sales of financial assets	(25,849,023)	(10,358,818)
Realised gains on sales of financial assets	1,756,830	1,226,123
Movement in unrealised loss on revaluation of financial assets	(322,065)	(4,220,169)
Fair value of financial assets at the end of the year	<b>16,731,245</b>	<b>18,446,305</b>
<b>Comprising:</b>		
Cost at the end of the year	16,169,328	17,562,323
Unrealised gains at the end of the year	561,917	883,982
	<b>16,731,245</b>	<b>18,446,305</b>

IFRS 13 requires the Cell to classify fair value hierarchy that reflects the significance of the inputs used in making the measurements. The hierarchy has the following levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset 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).

The level in the fair value hierarchy, within which the fair value measurement is categorised in its entirety, is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Board. The Board considers observable market data that is readily available, readily distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

The investments classified as Level 1 consist of financial assets that are actively traded with fair values readily available from recognised exchanges. The Level 1 hierarchy may also include investments in funds that are priced by the underlying administrator where the Cell considers it to be the most advantageous market and would enter into transactions based on those prices.

The investments classified as Level 2 are investments in funds that are actively traded and priced less frequently than monthly but not greater than quarterly for which fair values are obtained from the underlying administrator or fund manager.



**Notes to the Financial Statements (continued)**

**6. Financial assets at fair value through profit or loss (continued)**

The investments classified as Level 3 are investments that are illiquid investments and investments that are traded but priced less frequently than quarterly.

The following tables present the Cell's financial assets and financial liabilities measured at fair value by level within the valuation hierarchy as of 30 June 2023 and 30 June 2022:

**30 June 2023**

	Level 1	Level 2	Level 3	Total
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
<b>Financial assets at fair value through profit or loss</b>				
Collective Investment Schemes	16,731,245	-	-	16,731,245
	<b>16,731,245</b>	<b>-</b>	<b>-</b>	<b>16,731,245</b>

**30 June 2022**

	Level 1	Level 2	Level 3	Total
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
<b>Financial assets at fair value through profit or loss</b>				
Collective Investment Schemes	16,012,598	-	-	16,012,598
Equities	1,017,303	-	-	1,017,303
Government Bonds	1,260,464	-	-	1,260,464
Options	155,940	-	-	155,940
	<b>18,446,305</b>	<b>-</b>	<b>-</b>	<b>18,446,305</b>
<b>Financial liabilities at fair value through profit or loss</b>				
Derivative financial instruments	-	(53,772)	-	(53,772)
	<b>-</b>	<b>(53,772)</b>	<b>-</b>	<b>(53,772)</b>

There were no movements or reclassifications of investments within the levels of the fair value hierarchy during the years ended 30 June 2023 and 30 June 2022.

The Cell's cash and cash equivalents and short-term receivables and payables are recorded at carrying value which approximates fair value.

**7. Cash and cash equivalents**

For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise the following balances with original maturity of less than 90 days:

	2023	2022
	<u>USD</u>	<u>USD</u>
Cash at bank	858,078	20,933
	<b>858,078</b>	<b>20,933</b>



**Notes to the Financial Statements (continued)**
**8. Fair value of derivative financial instruments**

The Company held no derivative financial instruments as at 30 June 2023.

The following derivative financial instruments were held as at 30 June 2022:

30 June 2022	Amount <u>EUR/GBP/JPY</u>	Maturity Date	Contracted rate	Closing rate	Contract value <u>USD</u>	Market value <u>USD</u>	Financial liabilities <u>USD</u>
Outstanding contract to buy EUR	920,000	24/08/2022	0.9327	0.9565	986,337	961,814	(24,523)
Outstanding contract to sell GBP	(783,045)	24/08/2022	0.7939	0.8234	(986,337)	(951,784)	34,553
Outstanding contract to buy JPY	125,000,000	24/08/2022	127.0409	135.4465	983,935	920,133	(63,802)
<b>Fair value of derivative financial instruments - liability</b>							<u>(53,772)</u>

In accordance with the Cell's investment objectives, the Cell may enter into forward foreign exchange contracts to hedge foreign currency movements they may be exposed to through their investment portfolios. As there is no assurance that these hedges will be effective in achieving the offsetting of changes in cash flows attributable to currency risk on these investments, it is the policy of the Cell not to apply hedge accounting.

For foreign exchange contracts, the Cell pays a specified amount in one currency and receives a specified amount in another currency. Foreign exchange contracts are simultaneously settled gross and are presented on the Statement of Financial Position at their fair value.

**9. Other receivables**

	2023 <u>USD</u>	2022 <u>USD</u>
Prepayments	302	370
Management shares receivable	2	2
	<u>304</u>	<u>372</u>

**Notes to the Financial Statements (continued)**

**10. Other payables**

	<u>USD</u>	<u>USD</u>
Management fee payable	-	3,141
Investment management fee payable	-	3,927
Management, Investment Management and Administration fee payable	3,581	-
Sub-Investment Management fee payable	2,865	-
Custodian fee payable	1,512	2,744
Audit fee payable	9,066	8,716
Directors' fee payable	2,500	-
Sundry expense payable	3,730	2,862
	<b>23,254</b>	<b>21,390</b>

**11. Share Capital**

The Cell has an authorised share capital of 100 Management shares of USD1.00 each and an unlimited number of no-par value participating redeemable shares.

**Management shares in issue**

	<b>2023</b>	<b>2022</b>
	<u>USD</u>	<u>USD</u>
Management shares	2	2

**Participating redeemable shares in issue**

	<b>Year ended 30.06.23</b>	<b>Year ended 30.06.22</b>
Balance at the beginning of the year	12,828,960	13,888,540
Issue of participating redeemable shares	-	74,861
Redemption of participating redeemable shares	(1,647,528)	(1,134,441)
<b>Balance at the end of the year</b>	<b>11,181,432</b>	<b>12,828,960</b>

**12. Net asset value per participating redeemable share**

	<b>NAV per share</b>	<b>Net assets attributable</b>	<b>Shares in issue</b>	<b>NAV per share</b>	<b>Net assets attributable</b>	<b>Shares in issue</b>
<b>As at 30 June</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<u>USD</u>	<u>USD</u>		<u>USD</u>	<u>USD</u>	
International Balanced Cell	1.57	17,567,666	11,181,432	1.45	18,592,886	12,828,960

**13. Dividends payable to participating redeemable shareholders**

No dividends were paid during the year (2022: Nil) and the Board does not intend to pay any dividends. All available income will be reinvested.



Notes to the Financial Statements (continued)

14. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

14.1 Management and Administration fee

The Cell is managed by Momentum Wealth International Limited (the "Manager"), a management company incorporated in Guernsey, providing management services to the Cell under the terms of the management agreement in place.

The Manager was entitled to receive the following Management and Administration fee, chargeable on a sliding scale, payable monthly in arrears, based on the current valuation and subject to a minimum annual fee of USD22,000 or currency equivalent up until the 2 April 2023.

<u>Fee - % of NAV per annum</u>	<u>Cell NAV</u>
0.20%	Up to USD30m
0.15%	Over USD30m

Management and Administration fee charged during the year and accrued at year end:

	<u>2023</u>	<u>2022</u>
	<u>USD</u>	<u>USD</u>
Charged during the year	26,875	49,717
Accrued at year end	-	3,141

14.2 Investment Management fee

The Manager has appointed an Investment Manager, Momentum Global Investment Management Limited, a UK registered company, to manage the investment portfolio of the Cell. The Investment Manager was entitled to receive a fee (the "Investment Management fee"), chargeable at a rate of 0.25% of the Cell's NAV per annum, which accrued as at each Valuation Point, based on the current valuation of the Cell, payable monthly in arrears up until the 2 April 2023.

Investment Management fee charged during the year and accrued at year end:

	<u>2023</u>	<u>2022</u>
	<u>USD</u>	<u>USD</u>
Charged during the year	33,585	56,100
Accrued at year end	-	3,927



Notes to the Financial Statements (continued)

14. Related party transactions (continued)

14.3 Management, Investment Management and Administration fee

On the 3 April 2023, amendments were made to the Supplemental Cell Prospectus and the following changes became effective from that date:

- A Management agreement was entered into whereby the Manager shall settle the fees of the Administrator and the Investment Manager on behalf of the Cell from the proceeds of the Management fee;
- The Manager will be entitled to the payment of a fee of 0.25% of the NAV of the Cell per annum (subject to a minimum of USD25,000 per annum) (the “Management Fee”). The Management Fee will accrue as at each Valuation Point, based on the current valuation and is payable monthly in arrears.

Management, Investment Management and Administration fee charged during the year and accrued at year end:

	2023 USD	2022 USD
Charged during the year	10,727	-
Accrued at year end	3,581	-

Management fee rebate received during the year and accrued at year end:

	2023 USD	2022 USD
Received during the year	392	-
Accrued at year end	-	-

14.4 Sub-Investment Management Fee

On 3 April 2023, Morningstar Investment Management South Africa Limited was appointed Sub-Investment Manager. Pursuant to the terms of the Sub-Investment Management Agreement, the Sub-Investment Manager is entitled to a fee of 0.20% of the NAV of the Cell per annum (the “Sub-Investment Management Fee”) for the services rendered in connection with the Cell. The Sub-Investment Manager Fee is accrued as at each Valuation Point, based on the current valuation of the Cell and is payable monthly in arrears.

	2023 USD	2022 USD
Charged during the year	8,591	-
Accrued at year end	2,865	-



Notes to the Financial Statements (continued)

14. Related-party transactions (continued)

14.5 Custodian fee

The Cell has engaged the services of Northern Trust (Guernsey) Limited to provide custodian services. The Custodian is entitled to the payment of a fee (the “Custody fee”) chargeable on a sliding scale in respect of all Share Classes, as follows, subject to a minimum of USD8,000 per annum.

<u>Fee% of NAV</u>	<u>Cell NAV</u>
0.05%	Up to USD30m
0.04%	From USD30m to USD60m
0.03%	From USD60m to USD100m
0.02%	Over USD100m

Custodian fee charged during the year and accrued at year end:

	<u>2023</u>	<u>2022</u>
	<u>USD</u>	<u>USD</u>
Charged during the year	11,284	15,510
Accrued at year-end	1,512	2,744

14.6 Distribution Partner fee

The Cell has appointed Fintax Consulting Group (Pty) Ltd as distribution partner to promote and market the Cell. The Distribution Partner was entitled to receive a fee of up to 0.5% of the NAV of the Cell per annum (the “Distribution Partner fee”). The Distribution Partner fee did accrue as at each Valuation Point, based on the current valuation of the Cell and was payable monthly in arrears. The Distribution Partner was also entitled to be paid any expenses and disbursements reasonably incurred in performance of its duties.

Since inception, the Distribution Partner had waived their fees. On the 3 April 2023, amendments were made to the Supplemental Cell Prospectus and effective from that date, the Distribution Partner will not be paid a fee.

14.7 Board of Directors’ remuneration

The Directors’ fees in respect of the Cell shall not exceed USD20,000 (or currency equivalent) in any twelve-month period. In addition, the Directors shall be entitled to be repaid for all reasonable out-of-pocket expenses properly incurred by them in the performance of their duties to the Cell. Such fees and expenses shall be paid out of the assets of the Cell alone and not from the Cellular assets of other Cells of the Company or assets of the Company itself.

The Directors waived their right to a fee until 3 April 2023. From 3 April 2023, amendments were made to the Supplemental Cell Prospectus and effective from that date the Directors were paid a fee of \$10,000 per annum. Directors fees charged for the year ended 30 June 2023 were \$2,500 (2022: \$Nil) and \$2,500 remained payable at year end (2022: \$Nil).



Notes to the Financial Statements (continued)

15. Ultimate controlling party

In the opinion of the Directors, on the basis of the shareholding advised to them, the Cell has no ultimate controlling party.

16. Reconciliation of published valuation to financial statements

	2023	2022
	<u>USD</u>	<u>USD</u>
Net assets attributable to holders of participating redeemable shares per financial statements	17,567,666	18,592,886
Adjustments:		
Adjustment in value of assets at financial assets at fair value through profit and loss	(16,894)	35,580
Adjustment in value of derivative financial instruments	-	5,888
Adjustment to accrue for rebranding of financial statements	-	441
Net assets attributable to the holders of participating redeemable shares per published valuation	17,550,772	18,634,795
	<u>USD</u>	<u>USD</u>
NAV per share per published valuation	1.57	1.45
NAV per share per financial statements	1.57	1.45

17. Subsequent events

These financial statement were approved for issuance by the Board on 6 October 2023. Subsequent events have been evaluated until this date.

No significant events have occurred in respect of the Cell that are considered material to the understanding of these audited financial statements.