

## **Fintax Cells**

**Supplementary Information,  
Annual Report and Audited Financial Statements for**

**Fintax International Balanced Fund IC Limited  
("International Balanced Cell")**

**Fintax International Growth Fund IC Limited  
("International Growth Cell")**

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Supplementary Information**

|   | <b>International Balanced Cell</b> |                 | <b>International Growth Cell</b> |                 |
|---|------------------------------------|-----------------|----------------------------------|-----------------|
|   | <b>30.06.19</b>                    | <b>30.06.18</b> | <b>30.06.19</b>                  | <b>30.06.18</b> |
| <b>1. NUMBER OF SHARES OUTSTANDING</b>    |                                    |                 |                                  |                 |
| Class A                                   | 16,675,866                         | 17,243,543      | 9,050,579                        | 9,716,249       |
| <b>2. NET ASSET VALUE PER SHARE - USD</b> |                                    |                 |                                  |                 |
| Class A                                   | 1.41                               | 1.39            | 1.51                             | 1.51            |
| <b>3. HIGHEST/LOWEST PRICE - USD*</b>     |                                    |                 |                                  |                 |
| Class A                                   | 1.42 / 1.26                        | 1.46 / 1.31     | 1.54 / 1.32                      | 1.59 / 1.39     |
| <b>4. NUMBER OF SHARES SUBSCRIBED</b>     |                                    |                 |                                  |                 |
| Class A                                   | 784,543                            | 498,179         | -                                | 16,856          |
| <b>5. NUMBER OF SHARES REDEEMED</b>       |                                    |                 |                                  |                 |
| Class A                                   | 1,352,220                          | 813,388         | 665,670                          | 789,257         |

\*The highest/lowest price is based on prices from prior year-end to current year-end, being the 30.06.2019. The NAV on the 30.06.2019 was specifically calculated for financial reporting purposes and therefore may differ slightly from the most recent published price at that time.

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Portfolio Statements**

**International Balanced Cell**

|   | Holdings  | Fair Value<br><u>USD</u> | % of Net Assets |
|---|-----------|--------------------------|-----------------|
| <b>Financial assets at fair value through profit or loss</b>              |           |                          |                 |
| <b>Government Bonds: 5.57% (2018: 4.03%)</b>                              |           |                          |                 |
| United States Treasury Note/Bond 2.25% 31/12/2023                         | 1,028,000 | 1,050,327                | 4.46            |
| United States Treasury Note/Bond 2.625% 15/08/2020                        | 260,000   | 262,062                  | 1.11            |
| <b>Total Government Bonds</b>   |           | <b>1,312,389</b>         | <b>5.57</b>     |
| <b>Equities: 5.84% (2018: 6.01%)</b>                                      |           |                          |                 |
| <b>Property</b>   |           |                          |                 |
| Ediston Property Investment Company                                       | 138,889   | 165,805                  | 0.70            |
| Stenprop Limited GBP  | 853,043   | 1,210,520                | 5.14            |
| <b>Total Property</b>   |           | <b>1,376,325</b>         | <b>5.84</b>     |
| <b>Collective Investment Schemes: 86.79% (2018: 86.32%)</b>               |           |                          |                 |
| <b>Commodity Funds</b>  |           |                          |                 |
| iShares Physical Gold ETF   | 28,440    | 787,006                  | 3.34            |
| <b>Total Commodity Funds</b>  |           | <b>787,006</b>           | <b>3.34</b>     |
| <b>Equity Funds</b>   |           |                          |                 |
| Amundi Jpx-Nikkei 400 UCITS ETF   | 4,784     | 678,026                  | 2.88            |
| Contrarius Global Equity Fund - Institutional                             | 203,116   | 1,458,373                | 6.19            |
| Conventum - Lyrical Fund Class I  | 8,059     | 1,827,915                | 7.76            |
| Dimensional Emerging Markets Value Fund USD Acc                           | 21,549    | 447,144                  | 1.90            |
| First State Investments ICVC - Global Listed Infrastructure Fund Class B  | 81        | 154                      | -               |
| FP Crux European Special Situations Fund                                  | 211,810   | 1,373,114                | 5.83            |
| JPM Emerging Markets Dividend 'C' € Accumulating                          | 10,557    | 1,244,552                | 5.28            |
| Maple-Brown Abbott Global Fund  | 813,184   | 1,096,172                | 4.65            |
| Morgan Stanley Investment Funds - Global Brands Fund                      | 13,066    | 1,958,257                | 8.30            |
| RWC Funds - RWC Global Convertibles Fund Class B                          | 298       | 497,897                  | 2.11            |
| Sands Capital Funds - Sands Capital Global Growth Fund                    | 34,907    | 1,162,760                | 4.94            |
| Sands Capital Funds - Sands Emerging Markets Growth Fund                  | 33,364    | 439,073                  | 1.86            |
| TM RWC UK Equity Income Fund Class S                                      | 468,706   | 576,181                  | 2.45            |
| Veritas Funds - Global Focus Fund   | 54,187    | 2,098,661                | 8.91            |
| <b>Total Equity Funds</b>   |           | <b>14,858,279</b>        | <b>63.06</b>    |
| <b>Fixed Income Funds</b>   |           |                          |                 |
| Aviva Investors - Global Convertibles Fund                                | 4,604     | 465,109                  | 1.97            |
| AXA IM Fixed Income Investment Strategies - US Short Duration High Yield  | 595       | 118,911                  | 0.50            |
| Institutional Cash Series - Institutional US Dollar Ultra Short Bond Fund | 14,133    | 1,500,339                | 6.37            |
| iShares \$ TIPS UCITS ETF   | 2,962     | 636,238                  | 2.70            |
| iShares \$ Treasury Bond 7-10yr UCITS ETF                                 | 2,433     | 491,369                  | 2.09            |
| iShares JP Morgan \$ Emerging Markets Bond UCITS ETF                      | 6,890     | 776,916                  | 3.30            |
| <b>Total Fixed Income Funds</b>   |           | <b>3,988,882</b>         | <b>16.93</b>    |
| <b>Investment Trusts</b>  |           |                          |                 |
| Sequoia Economic Infrastructure Income Fund                               | 90,450    | 130,771                  | 0.56            |
| TwentyFour Income Fund  | 310,000   | 449,772                  | 1.91            |
| <b>Total Investment Trusts</b>  |           | <b>580,543</b>           | <b>2.47</b>     |

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Portfolio Statements**

**International Balanced Cell (continued)**

|  | <b>Holdings</b> | <b>Fair Value<br/>USD</b> | <b>% of Net Assets</b> |
|--|-----------------|---------------------------|------------------------|
| <b>Property Funds</b>  |                 |                           |                        |
| Third Avenue Real Estate Value Fund  | 6,081           | 232,251                   | 0.99                   |
| <b>Total Property Funds</b>  |                 | <u>232,251</u>            | <u>0.99</u>            |
| <b>Total Collective Investment Schemes</b>                                   |                 | <u>20,446,961</u>         | <u>86.79</u>           |
| <b>Options: 0.00% (2018: 0.02%)</b>  |                 |                           |                        |
| <b>Financial assets at fair value through profit or loss</b>                 |                 | 23,135,675                | 98.20                  |
| <b>Other Net Assets: 1.80% (2018: USD869,025; 3.62%)</b>                     |                 | 425,213                   | 1.80                   |
| <b>Net Assets Attributable To Holders Of Participating Redeemable Shares</b> |                 | <u><u>23,560,888</u></u>  | <u><u>100.00</u></u>   |

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Portfolio Statements**

**International Growth Cell**

|   | Holdings | Fair Value<br><u>USD</u> | % of Net Assets |
|---|----------|--------------------------|-----------------|
| <b>Financial assets at fair value through profit or loss</b>              |          |                          |                 |
| <b>Equities: 8.25% (2018: 8.36%)</b>                                      |          |                          |                 |
| <b>Property</b>   |          |                          |                 |
| Ediston Property Investment Company                                       | 296,296  | 353,716                  | 2.59            |
| Stenprop Limited GBP  | 544,165  | 772,203                  | 5.66            |
| <b>Total Property</b>   |          | <u>1,125,919</u>         | <u>8.25</u>     |
| <b>Collective Investment Schemes: 90.60% (2018: 87.90%)</b>               |          |                          |                 |
| <b>Commodity Funds</b>  |          |                          |                 |
| iShares Physical Gold ETF   | 11,160   | 308,825                  | 2.26            |
| <b>Total Commodity Funds</b>  |          | <u>308,825</u>           | <u>2.26</u>     |
| <b>Equity Funds</b>   |          |                          |                 |
| Amundi Jpx-Nikkei 400 UCITS ETF   | 6,740    | 955,246                  | 7.00            |
| Contrarius Global Equity Fund - Institutional                             | 163,136  | 1,171,316                | 8.58            |
| Conventum - Lyrical Fund Class I  | 5,493    | 1,245,869                | 9.13            |
| Dimensional Emerging Markets Value Fund USD Acc                           | 21,808   | 452,518                  | 3.32            |
| First State Investments ICVC - Global Listed Infrastructure Fund Class B  | 58       | 110                      | -               |
| FP Crux European Special Situations Fund                                  | 200,269  | 1,298,295                | 9.51            |
| JPM Emerging Markets Dividend 'C' € Accumulating                          | 8,275    | 975,529                  | 7.15            |
| Maple-Brown Abbott Global Fund  | 520,739  | 701,956                  | 5.14            |
| Morgan Stanley Investment Funds - Global Brands Fund                      | 8,969    | 1,344,270                | 9.85            |
| Sands Capital Funds - Sands Capital Global Growth Fund                    | 25,173   | 838,521                  | 6.14            |
| Sands Capital Funds - Sands Emerging Markets Growth Fund                  | 34,069   | 448,350                  | 3.29            |
| TM RWC UK Equity Income Fund Class S                                      | 447,156  | 549,690                  | 4.03            |
| Veritas Funds - Global Focus Fund   | 34,750   | 1,345,850                | 9.86            |
| <b>Total Equity Funds</b>   |          | <u>11,327,520</u>        | <u>83.00</u>    |
| <b>Fixed Income Funds</b>   |          |                          |                 |
| Institutional Cash Series - Institutional US Dollar Ultra Short Bond Fund | 3,965    | 420,919                  | 3.08            |
| <b>Total Fixed Income Funds</b>   |          | <u>420,919</u>           | <u>3.08</u>     |
| <b>Property Funds</b>   |          |                          |                 |
| Third Avenue Real Estate Value Fund                                       | 8,068    | 308,134                  | 2.26            |
| <b>Total Property Funds</b>   |          | <u>308,134</u>           | <u>2.26</u>     |
| <b>Total Collective Investment Schemes</b>                                |          | <u>12,365,398</u>        | <u>90.60</u>    |

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Portfolio Statements**

**International Growth Cell (continued)**

|  | <b>Holdings</b> | <b>Fair Value<br/><u>USD</u></b> | <b>% of Net Assets</b> |
|--|-----------------|----------------------------------|------------------------|
| <b>Options: 0.00% (2018: 0.04%)</b>  |                 |                                  |                        |
| <b>Financial assets at fair value through profit or loss</b>                 |                 | <b>13,491,317</b>                | <b>98.85</b>           |
| <b>Other Net Assets: 1.15% (2018: USD544,114; 3.70%)</b>                     |                 | <b>156,814</b>                   | <b>1.15</b>            |
| <b>Net Assets Attributable To Holders Of Participating Redeemable Shares</b> |                 | <b><u>13,648,131</u></b>         | <b><u>100.00</u></b>   |

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**


**Statement of Financial Position**

|   | Notes  | International Balanced Cell |                   | International Growth Cell |                   |
|---|--------|-----------------------------|-------------------|---------------------------|-------------------|
|   |        | 30.06.19<br>USD             | 30.06.18<br>USD   | 30.06.19<br>USD           | 30.06.18<br>USD   |
| <b>ASSETS</b>   |        |                             |                   |                           |                   |
| <b>NON-CURRENT ASSETS</b>   |        |                             |                   |                           |                   |
| Financial assets at fair value through profit or loss   | 5      | 23,135,675                  | 23,181,727        | 13,491,317                | 14,161,578        |
| <b>CURRENT ASSETS</b>   |        |                             |                   |                           |                   |
| Cash and cash equivalents   | 6      | 425,242                     | 873,630           | 159,254                   | 560,184           |
| Interest receivable   |        | 14,028                      | 11,205            | -                         | -                 |
| Fair value of derivative financial instruments  | 7      | 1,451                       | -                 | 9,634                     | -                 |
| Other receivables   | 8      | 1,793                       | 4,688             | 1,376                     | 5,138             |
|   |        | 442,514                     | 889,523           | 170,264                   | 565,322           |
| <b>Total assets</b>   |        | <b>23,578,189</b>           | <b>24,071,250</b> | <b>13,661,581</b>         | <b>14,726,900</b> |
| <b>LIABILITIES</b>  |        |                             |                   |                           |                   |
| <b>CURRENT LIABILITIES</b>  |        |                             |                   |                           |                   |
| Fair value of derivative financial instruments  | 7      | -                           | 2,287             | -                         | 6,824             |
| Other payables  | 9      | 17,299                      | 18,211            | 13,448                    | 14,382            |
| Liabilities (excluding net assets attributable to holders of participating redeemable shares) |        | 17,299                      | 20,498            | 13,448                    | 21,206            |
| Net assets attributable to holders of participating redeemable shares                         | 2 & 11 | 23,560,888                  | 24,050,750        | 13,648,131                | 14,705,692        |
| <b>Total liabilities</b>  |        | <b>23,578,187</b>           | <b>24,071,248</b> | <b>13,661,579</b>         | <b>14,726,898</b> |
| <b>SHAREHOLDERS' EQUITY</b>   |        |                             |                   |                           |                   |
| Management Shares   | 10     | 2                           | 2                 | 2                         | 2                 |
| <b>Total equity</b>   |        | <b>2</b>                    | <b>2</b>          | <b>2</b>                  | <b>2</b>          |
| <b>Total equity and liabilities</b>   |        | <b>23,578,189</b>           | <b>24,071,250</b> | <b>13,661,581</b>         | <b>14,726,900</b> |
| <b>Net asset value per participating redeemable share</b>                                     | 11     | 1.41                        | 1.39              | 1.51                      | 1.51              |

The notes 1 to 16 on pages 35 to 44 form part of these financial statements.

These financial statements were authorised for issue by the Board of Directors on 21 November 2019 and signed on its behalf by:

  
**Marie Curutchet**  
 Director

  
**Robert Rhodes**  
 Director

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Statement of Comprehensive Income**

|   | Notes | International Balanced Cell |                  | International Growth Cell |                  |
|---|-------|-----------------------------|------------------|---------------------------|------------------|
|   |       | Year ended                  | Year ended       | Year ended                | Year ended       |
|   |       | 30.06.19                    | 30.06.18         | 30.06.19                  | 30.06.18         |
|   |       | USD                         | USD              | USD                       | USD              |
| <b>INCOME</b>   |       |                             |                  |                           |                  |
| Deposit interest  |       | 1,699                       | 2,218            | 861                       | -                |
| Bond income   |       | 28,302                      | 1,176            | -                         | -                |
| Dividend income   |       | 192,811                     | 162,880          | 116,413                   | 99,521           |
| Net realised gains on financial assets at fair value through profit or loss   | 5     | 922,351                     | 1,685,543        | 798,145                   | 1,311,956        |
| Net unrealised losses on financial assets at fair value through profit or loss                                      | 5     | (727,618)                   | (300,445)        | (1,004,976)               | (121,094)        |
| Net gains/(losses) on derivatives   |       | 845                         | (4,285)          | 32,477                    | 14,982           |
| Other foreign exchange gains/(losses)   |       | 13,536                      | (2,176)          | 57,347                    | (25,434)         |
| Other income  |       | 6,012                       | 15,720           | (718)                     | 13,819           |
| <b>Total net income</b>   |       | <b>437,938</b>              | <b>1,560,631</b> | <b>(451)</b>              | <b>1,293,750</b> |
| <b>EXPENSES</b>   |       |                             |                  |                           |                  |
| Audit fee   |       | (6,509)                     | (8,236)          | (6,509)                   | (8,236)          |
| Custodian fee   | 13    | (13,030)                    | (11,582)         | (9,595)                   | (9,107)          |
| Investment Management fee   | 13    | (57,443)                    | (59,895)         | (34,980)                  | (37,269)         |
| Manager and Administration fee  | 13    | (45,955)                    | (47,916)         | (27,984)                  | (29,815)         |
| Finance cost  |       | -                           | -                | -                         | (22)             |
| Sundry expenses   |       | (2,478)                     | (3,268)          | (2,639)                   | (3,210)          |
| <b>Total operating expenses</b>   |       | <b>(125,415)</b>            | <b>(130,897)</b> | <b>(81,707)</b>           | <b>(87,659)</b>  |
| <b>Net profit/(loss) before tax</b>   |       | <b>312,523</b>              | <b>1,429,734</b> | <b>(82,158)</b>           | <b>1,206,091</b> |
| Withholding tax   |       | (2,067)                     | (2,161)          | (4,409)                   | (4,478)          |
| <b>Increase/(decrease) in net assets attributable to holders of participating redeemable shares from operations</b> |       | <b>310,456</b>              | <b>1,427,573</b> | <b>(86,567)</b>           | <b>1,201,613</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 16 on pages 35 to 44 form part of these financial statements.



**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Statement of Cash Flows**

|  | International Balanced Cell          |                                      | International Growth Cell            |                                      |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
|  | Year ended<br>30.06.19<br><u>USD</u> | Year ended<br>30.06.18<br><u>USD</u> | Year ended<br>30.06.19<br><u>USD</u> | Year ended<br>30.06.18<br><u>USD</u> |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>   |                                      |                                      |                                      |                                      |
| Increase/(decrease) in net assets attributable to holders of participating redeemable shares from operations | 310,456                              | 1,427,573                            | (86,567)                             | 1,201,613                            |
| <b>ADJUSTMENT FOR:</b>   |                                      |                                      |                                      |                                      |
| Net realised gains on financial assets at fair value through profit or loss                                  | (922,351)                            | (1,685,543)                          | (798,145)                            | (1,311,956)                          |
| Net unrealised losses on financial assets at fair value through profit or loss                               | 727,618                              | 300,445                              | 1,004,976                            | 121,094                              |
| Net settlement on derivatives and other foreign exchange   | (17,274)                             | 1,080                                | (73,805)                             | 32,258                               |
| Dividend income  | (192,811)                            | (162,880)                            | (116,413)                            | (99,521)                             |
| Withholding tax  | 2,067                                | 2,161                                | 4,409                                | 4,478                                |
| <b>Operating loss before working capital changes</b>   | <b>(92,295)</b>                      | <b>(117,164)</b>                     | <b>(65,545)</b>                      | <b>(52,034)</b>                      |
| Net decrease/(increase) in other receivables   | 72                                   | (12,950)                             | 3,762                                | (2,591)                              |
| Net (decrease)/increase in other payables  | (912)                                | 1,542                                | (934)                                | 1,151                                |
| Purchase of financial assets at fair value through profit or loss  | (8,844,091)                          | (6,138,103)                          | (4,636,114)                          | (2,672,077)                          |
| Sale of financial assets at fair value through profit or loss  | 9,084,876                            | 5,622,686                            | 5,099,544                            | 3,843,722                            |
| Dividend received  | 190,744                              | 160,719                              | 112,004                              | 95,043                               |
| <b>Net cash generated/(used in) from operating activities</b>  | <b>338,394</b>                       | <b>(483,270)</b>                     | <b>512,717</b>                       | <b>1,213,214</b>                     |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>   |                                      |                                      |                                      |                                      |
| Cash received from issuance of participating redeemable shares   | 1,074,649                            | 691,132                              | -                                    | 25,144                               |
| Cash paid on redemption of participating redeemable shares   | (1,874,967)                          | (1,147,781)                          | (970,994)                            | (1,169,389)                          |
| <b>Net cash used in financing activities</b>   | <b>(800,318)</b>                     | <b>(456,649)</b>                     | <b>(970,994)</b>                     | <b>(1,144,245)</b>                   |
| <b>Net (decrease)/increase in cash and cash equivalents</b>  | <b>(461,924)</b>                     | <b>(939,919)</b>                     | <b>(458,277)</b>                     | <b>68,969</b>                        |
| <b>Cash and cash equivalents at the beginning of the year</b>  | <b>873,630</b>                       | <b>1,815,725</b>                     | <b>560,184</b>                       | <b>516,649</b>                       |
| Exchange gains/(losses) on cash and cash equivalents   | 13,536                               | (2,176)                              | 57,347                               | (25,434)                             |
| <b>Cash and cash equivalents at the end of the year</b>  | <b>425,242</b>                       | <b>873,630</b>                       | <b>159,254</b>                       | <b>560,184</b>                       |

The notes 1 to 16 on pages 35 to 44 form part of these financial statements.

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Statements of Changes in Net Assets Attributable to Holders of Participating Redeemable Shares**

|  | Notes | International Balanced Cell |                   | International Growth Cell |                   |
|--|-------|-----------------------------|-------------------|---------------------------|-------------------|
|  |       | Year ended                  | Year ended        | Year ended                | Year ended        |
|  |       | 30.06.19                    | 30.06.18          | 30.06.19                  | 30.06.18          |
|  |       | <u>USD</u>                  | <u>USD</u>        | <u>USD</u>                | <u>USD</u>        |
| <b>Net assets attributable to holders of participating redeemable shares at the beginning of the year</b>    |       | 24,050,750                  | 23,064,033        | 14,705,692                | 14,648,324        |
| Proceeds receivable from issuance of participating redeemable shares   | 10    | 1,074,649                   | 691,132           | -                         | 25,144            |
| Payments on redemption of participating redeemable shares  | 10    | (1,874,967)                 | (1,131,988)       | (970,994)                 | (1,169,389)       |
| Increase/(decrease) in net assets attributable to holders of participating redeemable shares from operations |       | 310,456                     | 1,427,573         | (86,567)                  | 1,201,613         |
| <b>Net assets attributable to holders of participating redeemable shares at the end of the year</b>          | 11    | <b>23,560,888</b>           | <b>24,050,750</b> | <b>13,648,131</b>         | <b>14,705,692</b> |

The notes 1 to 16 on pages 35 to 44 form part of these financial statements.

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Notes to the Financial Statements**

**1. General Information**

The Fintax International Balanced Fund IC Limited (the "International Balanced Cell") and the Fintax International Growth Fund IC Limited (the "International Growth Cell") (collectively the "Cells"), with company numbers 47770 and 47771 respectively, are Guernsey registered, Limited Liability Incorporated Cells of Momentum Mutual Fund ICC Limited ("the Company").

The Cells operate differing investment objectives, with the International Balanced Cell's objective of achieving a balance of capital preservation and appreciation, while the International Growth Cell's objective is capital 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 however including equities, alternative strategies and property and so some degree of volatility is to be expected.

The Cells intend to achieve their investment objectives by investing globally, primarily via other collective investment schemes, in a wide range of asset classes including cash, bonds, alternative strategies and equities. The International Balanced Cell is suitable for investors with a time horizon of 3 to 5 years, while the International Growth Cell is suitable for investors with a time horizon of greater than 5 years. The Cells 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 Cells may invest in forward foreign currency exchange contracts to reduce their currency exposure.

The Cells' 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").

The Financial Statements were authorised for issue by the Board of Directors on 19 November 2019.

**2. Financial risk management**

**2.1 Strategy in using financial instruments**

The Cells' 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 Cells' financial performance. The following policies and procedures to mitigate risk have been in place throughout the year.

The Cells' policy allows it to use derivative financial instruments to both moderate and create certain risk exposure. The Cells did not hold any derivative financial instrument during the current or prior years.

**2.2 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 Cells are subject to market price risk as it trades primarily in collective investment schemes. Through its investment in traded securities and instruments the Cells are 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 Cells' overall market positions are monitored by the Investment Manager and are reviewed by the Board of Directors.

The Cells' 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:

|                               | International Balanced Cell |                    |                   |                    | International Growth Cell |                    |                   |                    |
|-------------------------------|-----------------------------|--------------------|-------------------|--------------------|---------------------------|--------------------|-------------------|--------------------|
|                               | 2019                        |                    | 2018              |                    | 2019                      |                    | 2018              |                    |
|                               | Fair Value<br>USD           | % of net<br>assets | Fair Value<br>USD | % of net<br>assets | Fair Value<br>USD         | % of net<br>assets | Fair Value<br>USD | % of net<br>assets |
| Collective Investment Schemes | 20,446,961                  | 86.79              | 20,759,472        | 86.32              | 12,365,398                | 90.60              | 12,925,952        | 87.90              |
| Equities                      | 1,376,325                   | 5.84               | 1,446,751         | 6.01               | 1,125,919                 | 8.25               | 1,230,016         | 8.36               |
| Government Bonds              | 1,312,389                   | 5.57               | 969,894           | 4.03               | -                         | -                  | -                 | -                  |
| Options                       | -                           | -                  | 5,610             | 0.02               | -                         | -                  | 5,610             | 0.04               |
|                               | <b>23,135,675</b>           | <b>98.20</b>       | <b>23,181,727</b> | <b>96.38</b>       | <b>13,491,317</b>         | <b>98.85</b>       | <b>14,161,578</b> | <b>96.30</b>       |

The Cells' 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 2.3 and 2.5, 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:

| As at 30 June                 | International Balanced Cell |                             | International Growth Cell   |                             |
|-------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|                               | 2019                        | 2018                        | 2019                        | 2018                        |
|                               | Change in fair value<br>USD | Change in fair value<br>USD | Change in fair value<br>USD | Change in fair value<br>USD |
| Collective Investment Schemes | 2,044,696                   | 2,075,947                   | 1,236,540                   | 1,292,595                   |
| Equities                      | 137,633                     | 144,675                     | 112,592                     | 123,002                     |
| Government Bonds              | 131,239                     | 96,989                      | -                           | -                           |
| Options                       | -                           | 561                         | -                           | 561                         |

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Notes to the Financial Statements**

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

**2.3 Interest rate risk**

The Cells' 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 its financial position and cash flows.

The majority of the Cells' financial assets and liabilities are non-interest bearing. As a result, the Cells are 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 Cells' exposure to interest rate risks. It includes the Cells' assets and trading liabilities at fair values, all of which have contractual repricing or maturity dates within one month.

| As at 30 June                                     | International Balanced Cell |            | International Growth Cell |            |
|---|-----------------------------|------------|---------------------------|------------|
|   | 2019                        | 2018       | 2019                      | 2018       |
|   | <u>USD</u>                  | <u>USD</u> | <u>USD</u>                | <u>USD</u> |
| Net financial assets on which no interest is paid | 23,120,167                  | 22,409,057 | 13,479,243                | 13,537,977 |
| Net floating rate financial assets                | 439,270                     | 884,835    | 159,254                   | 560,184    |

Should interest rates have increased by 100 basis points with all other variables remaining constant, the increase in the net assets attributable to participating redeemable shareholders would amount to approximately:

| As at 30 June                                  | International Balanced Cell |            | International Growth Cell |            |
|--|-----------------------------|------------|---------------------------|------------|
|  | 2019                        | 2018       | 2019                      | 2018       |
|  | <u>USD</u>                  | <u>USD</u> | <u>USD</u>                | <u>USD</u> |
| Movement in net floating rate financial assets | 4,393                       | 8,848      | 1,593                     | 5,602      |

A decrease of 50 basis points would have a minimal effect as interest received at year end was immaterial.

**2.4 Cash flow risk**

The Cells hold a significant amount of cash and cash equivalents that expose the Cells to cash flow interest rate risk. The risk exposure here is deemed minimal.

**2.5 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. Each Cell holds assets, including investments denominated in currencies other than their functional currency, US Dollar, and therefore they are exposed to currency risk. The exposures are based on the currencies of the underlying assets in each Cell. Where the Cells invest via Collective Investment Funds, the funds are treated as a single asset with its currency of exposure being assumed to be its reporting currency.

The table below summarises the Cells' exposure to currency risks:

| As at 30 June | International Balanced Cell |            | International Growth Cell |            |
|---------------|-----------------------------|------------|---------------------------|------------|
|               | 2019                        | 2018       | 2019                      | 2018       |
|               | <u>USD</u>                  | <u>USD</u> | <u>USD</u>                | <u>USD</u> |
| EUR exposure  | 2,644,759                   | 4,943,487  | 2,286,676                 | 4,407,157  |
| GBP exposure  | 3,570,607                   | 645,075    | 2,657,631                 | 597,679    |
| SGD exposure  | 20,929                      | 20,767     | 12,479                    | 12,382     |

In accordance with the Cells' policy, the Investment Manager monitors the Cells' currency position on a regular basis, and the Board of Directors reviews it periodically. The Cells have 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 7.

Should each 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:

| As at 30 June | International Balanced Cell |            | International Growth Cell |            |
|---------------|-----------------------------|------------|---------------------------|------------|
|               | 2019                        | 2018       | 2019                      | 2018       |
|               | <u>USD</u>                  | <u>USD</u> | <u>USD</u>                | <u>USD</u> |
| EUR exposure  | 132,238                     | 247,174    | 114,334                   | 220,358    |
| GBP exposure  | 178,530                     | 32,254     | 132,882                   | 29,884     |
| SGD exposure  | 1,046                       | 1,038      | 624                       | 619        |

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Notes to the Financial Statements**

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

**2.6 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 a Cell. The Directors consider that the Investment Manager mitigates this risk by way of its investment process, as described in note 2.2. 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 Cells manage their exposure to credit risk associated with their cash deposits by selecting Northern Trust (Guernsey) Limited as the counterparty to hold all cash deposits for the Cells. 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 Cells' maximum exposure to credit risk is the carrying value of the assets on the Statement of Financial Position.

**2.7 Liquidity risk**

Liquidity risk is the risk that the Cells will encounter difficulty in meeting obligations associated with their financial liabilities. The main liquidity risk is the risk that the Cells may be unable to recover funds invested through the usual redemption processes which may result in the Cells having insufficient funds to settle a transaction on the due date. Due to the nature of the Cells 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.

Within each prospectus the Cells have the ability to borrow to meet short term liquidity requirements, however to date the Cells have not entered into such arrangements.

The table below analyses the Cells' 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.

|  | <b>International Balanced Cell</b> |                                    |              |              |
|--|------------------------------------|------------------------------------|--------------|--------------|
|  |                                    |                                    | <b>2019</b>  | <b>2018</b>  |
|  | <b>Less than 1<br/>month</b>       | <b>Between 1 and<br/>12 months</b> | <b>Total</b> | <b>Total</b> |
|  | <b>USD</b>                         | <b>USD</b>                         | <b>USD</b>   | <b>USD</b>   |
| Financial assets at fair value through profit or loss            | 23,135,675                         | -                                  | 23,135,675   | 23,181,727   |
| Cash and cash equivalents  | 425,242                            | -                                  | 425,242      | 873,630      |
| Fair value of derivative financial instruments                   | -                                  | 1,451                              | 1,451        | (2,287)      |
| Interest receivable  | 14,028                             | -                                  | 14,028       | 11,205       |
| Other receivables  | 1,791                              | -                                  | 1,791        | 4,686        |
| Other payables   | (17,299)                           | -                                  | (17,299)     | (18,211)     |
| Net assets attributable to participating redeemable shareholders | (23,560,888)                       | -                                  | (23,560,888) | (24,050,750) |
| <b>Net liquidity position</b>                                    | <b>(1,451)</b>                     | <b>1,451</b>                       | <b>-</b>     | <b>-</b>     |

|  | <b>International Growth Cell</b> |                                    |              |              |
|--|----------------------------------|------------------------------------|--------------|--------------|
|  |                                  |                                    | <b>2019</b>  | <b>2018</b>  |
|  | <b>Less than 1<br/>month</b>     | <b>Between 1 and<br/>12 months</b> | <b>Total</b> | <b>Total</b> |
|  | <b>USD</b>                       | <b>USD</b>                         | <b>USD</b>   | <b>USD</b>   |
| Financial assets at fair value through profit or loss            | 13,491,317                       | -                                  | 13,491,317   | 14,161,578   |
| Cash and cash equivalents  | 159,254                          | -                                  | 159,254      | 560,184      |
| Fair value of derivative financial instruments                   | -                                | 9,634                              | 9,634        | (6,824)      |
| Other receivables  | 1,374                            | -                                  | 1,374        | 5,136        |
| Other payables   | (13,448)                         | -                                  | (13,448)     | (14,382)     |
| Net assets attributable to participating redeemable shareholders | (13,648,131)                     | -                                  | (13,648,131) | (14,705,692) |
| <b>Net liquidity position</b>                                    | <b>(9,634)</b>                   | <b>9,634</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.

**2.8 Management of capital**

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

The Cells have no externally imposed capital requirements.

**2.9 Fair value disclosure**

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

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Notes to the Financial Statements**

**3. Critical accounting estimates and judgments**

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

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.

**4. Portfolio analysis**

The Cells' 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 Cells operate using the main sector types which are disclosed in note 2.2. and the following main geographical areas:

|                 | International Balanced Cell |                   | International Growth Cell |                   |
|-----------------|-----------------------------|-------------------|---------------------------|-------------------|
|                 | 2019                        | 2018              | 2019                      | 2018              |
|                 | USD                         | USD               | USD                       | USD               |
| Bermuda         | -                           | 1,241,379         | -                         | 791,889           |
| Cayman Islands  | -                           | 759,145           | -                         | 614,355           |
| Europe          | 17,916,969                  | 18,254,486        | 10,517,303                | 10,885,425        |
| Channel Islands | 1,791,063                   | -                 | 772,203                   | -                 |
| United Kingdom  | 2,115,254                   | 1,951,213         | 2,201,811                 | 1,864,299         |
| United States   | 1,312,389                   | 975,504           | -                         | 5,610             |
|                 | <b>23,135,675</b>           | <b>23,181,727</b> | <b>13,491,317</b>         | <b>14,161,578</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.

**5. Financial assets at fair value through profit or loss**

|  | International Balanced Cell |                   | International Growth Cell |                   |
|--|-----------------------------|-------------------|---------------------------|-------------------|
|  | 2019                        | 2018              | 2019                      | 2018              |
|  | USD                         | USD               | USD                       | USD               |
| <b>Financial assets at fair value through profit or loss:</b>      |                             |                   |                           |                   |
| Collective Investment Schemes                                      | 20,446,961                  | 20,759,472        | 12,365,398                | 12,925,952        |
| Equity Funds   | 1,376,325                   | 1,446,751         | 1,125,919                 | 1,230,016         |
| Government Bonds   | 1,312,389                   | 969,894           | -                         | -                 |
| Options  | -                           | 5,610             | -                         | 5,610             |
| <b>Total financial assets at fair value through profit or loss</b> | <b>23,135,675</b>           | <b>23,181,727</b> | <b>13,491,317</b>         | <b>14,161,578</b> |

**Movement on financial assets at fair value through profit or loss**

|  |                   |                   |                   |                   |
|--|-------------------|-------------------|-------------------|-------------------|
| Fair value of financial assets at the beginning of the year      | 23,181,727        | 21,281,212        | 14,161,578        | 14,142,361        |
| Purchases of financial assets                                    | 8,844,091         | 6,138,103         | 4,636,114         | 2,672,077         |
| Sales of financial assets  | (9,084,876)       | (5,622,686)       | (5,099,544)       | (3,843,722)       |
| Realised gains on sales of financial assets                      | 922,351           | 1,685,543         | 798,145           | 1,311,956         |
| Movement in unrealised losses on revaluation of financial assets | (727,618)         | (300,445)         | (1,004,976)       | (121,094)         |
| Fair value of financial assets at the end of the year            | <b>23,135,675</b> | <b>23,181,727</b> | <b>13,491,317</b> | <b>14,161,578</b> |

**Comprising:**

|   |                   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|-------------------|
| Cost at the end of the year             | 19,379,257        | 18,697,691        | 11,227,676        | 10,892,961        |
| Unrealised gains at the end of the year | 3,756,418         | 4,484,036         | 2,263,641         | 3,268,617         |
|   | <b>23,135,675</b> | <b>23,181,727</b> | <b>13,491,317</b> | <b>14,161,578</b> |



**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Notes to the Financial Statements**

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

**Movement on financial assets at fair value through profit or loss (continued)**

IFRS 13 requires the Cells 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 Company 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.

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 Cells' financial assets and financial liabilities measured at fair value by level within the valuation hierarchy as of 30 June 2019 and 30 June 2018:

**30 June 2019**

|  | <b>International Balanced Cell</b> |                |                |                   |
|--|------------------------------------|----------------|----------------|-------------------|
|  | <b>Level 1</b>                     | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b>      |
|  | <b>USD</b>                         | <b>USD</b>     | <b>USD</b>     | <b>USD</b>        |
| <b>Financial assets at fair value through profit or loss</b> |                                    |                |                |                   |
| Collective Investment Schemes                                | 20,446,961                         | -              | -              | 20,446,961        |
| Equities   | 1,376,325                          | -              | -              | 1,376,325         |
| Government Bonds   | 1,312,389                          | -              | -              | 1,312,389         |
| Derivative financial instruments                             | -                                  | 1,451          | -              | 1,451             |
|  | <b>23,135,675</b>                  | <b>1,451</b>   | <b>-</b>       | <b>23,137,126</b> |

**30 June 2018**

|   | <b>International Balanced Cell</b> |                |                |                   |
|---|------------------------------------|----------------|----------------|-------------------|
|   | <b>Level 1</b>                     | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b>      |
|   | <b>USD</b>                         | <b>USD</b>     | <b>USD</b>     | <b>USD</b>        |
| <b>Financial assets at fair value through profit or loss</b>      |                                    |                |                |                   |
| Collective Investment Schemes                                     | 20,000,327                         | 759,145        | -              | 20,759,472        |
| Equities  | 1,446,751                          | -              | -              | 1,446,751         |
| Government Bonds  | 969,894                            | -              | -              | 969,894           |
| Options   | 5,610                              | -              | -              | 5,610             |
|   | <b>22,422,582</b>                  | <b>759,145</b> | <b>-</b>       | <b>23,181,727</b> |
| <b>Financial liabilities at fair value through profit or loss</b> |                                    |                |                |                   |
| Derivative financial instruments                                  | -                                  | 2,287          | -              | 2,287             |
|   | <b>-</b>                           | <b>2,287</b>   | <b>-</b>       | <b>2,287</b>      |

**30 June 2019**

|  | <b>International Growth Cell</b> |                |                |                   |
|--|----------------------------------|----------------|----------------|-------------------|
|  | <b>Level 1</b>                   | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b>      |
|  | <b>USD</b>                       | <b>USD</b>     | <b>USD</b>     | <b>USD</b>        |
| <b>Financial assets at fair value through profit or loss</b> |                                  |                |                |                   |
| Collective Investment Schemes                                | 12,365,398                       | -              | -              | 12,365,398        |
| Equities   | 1,125,919                        | -              | -              | 1,125,919         |
| Fair value of derivative financial instruments               | -                                | 9,634          | -              | 9,634             |
|  | <b>13,491,317</b>                | <b>9,634</b>   | <b>-</b>       | <b>13,500,951</b> |

**30 June 2018**

|  | <b>International Growth Cell</b> |                |                |                   |
|--|----------------------------------|----------------|----------------|-------------------|
|  | <b>Level 1</b>                   | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b>      |
|  | <b>USD</b>                       | <b>USD</b>     | <b>USD</b>     | <b>USD</b>        |
| <b>Financial assets at fair value through profit or loss</b> |                                  |                |                |                   |
| Collective Investment Schemes                                | 12,311,597                       | 614,355        | -              | 12,925,952        |
| Equities   | 1,230,016                        | -              | -              | 1,230,016         |
| Options  | 5,610                            | -              | -              | 5,610             |
|  | <b>13,547,223</b>                | <b>614,355</b> | <b>-</b>       | <b>14,161,578</b> |

Momentum Mutual Fund ICC Limited  
Annual Report and Audited Financial Statements for the year ended 30 June 2019

Fintax Cells

Notes to the Financial Statements

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

Movement on financial assets at fair value through profit or loss (continued)

30 June 2018

|  | International Growth Cell |                |                | Total<br>USD |
|--|---------------------------|----------------|----------------|--------------|
|  | Level 1<br>USD            | Level 2<br>USD | Level 3<br>USD |              |
| Financial liabilities at fair value through profit or loss |                           |                |                |              |
| Derivative financial instruments                           | -                         | 6,824          | -              | 6,824        |
|  | -                         | 6,824          | -              | 6,824        |

Assets and liabilities not carried at fair value but for which fair value is disclosed

The following tables analyse within the fair value hierarchy the Cells' assets and liabilities (by class) not measured at fair value at 30 June 2019 and 30 June 2018 but for which fair value is disclosed:

|                           | International Balanced Cell |                |                | Total<br>USD |
|---------------------------|-----------------------------|----------------|----------------|--------------|
|                           | Level 1<br>USD              | Level 2<br>USD | Level 3<br>USD |              |
| 30 June 2019              |                             |                |                |              |
| Assets                    |                             |                |                |              |
| Cash and cash equivalents | 425,242                     | -              | -              | 425,242      |
| Interest receivable       | -                           | 14,028         | -              | 14,028       |
| Other receivables         | -                           | 1,793          | -              | 1,793        |
| Total                     | 425,242                     | 15,821         | -              | 441,063      |

|   | International Balanced Cell |                |                | Total<br>USD |
|---|-----------------------------|----------------|----------------|--------------|
|   | Level 1<br>USD              | Level 2<br>USD | Level 3<br>USD |              |
| Liabilities   |                             |                |                |              |
| Other payables  | -                           | 17,299         | -              | 17,299       |
| Net assets attributable to holders of participating redeemable shares | -                           | 23,560,888     | -              | 23,560,888   |
| Total   | -                           | 23,578,187     | -              | 23,578,187   |

|   | International Balanced Cell |                |                | Total<br>USD |
|---|-----------------------------|----------------|----------------|--------------|
|   | Level 1<br>USD              | Level 2<br>USD | Level 3<br>USD |              |
| 30 June 2018  |                             |                |                |              |
| Assets  |                             |                |                |              |
| Cash and cash equivalents   | 873,630                     | -              | -              | 873,630      |
| Interest receivable   | -                           | 11,205         | -              | 11,205       |
| Other receivables   | -                           | 4,688          | -              | 4,688        |
| Total   | 873,630                     | 15,893         | -              | 889,523      |
| Liabilities   |                             |                |                |              |
| Other payables  | -                           | 18,211         | -              | 18,211       |
| Net assets attributable to holders of participating redeemable shares | -                           | 24,050,750     | -              | 24,050,750   |
| Total   | -                           | 24,068,961     | -              | 24,068,961   |

|   | International Growth Cell |                |                | Total<br>USD |
|---|---------------------------|----------------|----------------|--------------|
|   | Level 1<br>USD            | Level 2<br>USD | Level 3<br>USD |              |
| 30 June 2019  |                           |                |                |              |
| Assets  |                           |                |                |              |
| Cash and cash equivalents   | 159,254                   | -              | -              | 159,254      |
| Other receivables   | -                         | 1,376          | -              | 1,376        |
| Total   | 159,254                   | 1,376          | -              | 160,630      |
| Liabilities   |                           |                |                |              |
| Other payables  | -                         | 13,448         | -              | 13,448       |
| Net assets attributable to holders of participating redeemable shares | -                         | 13,648,131     | -              | 13,648,131   |
| Total   | -                         | 13,661,579     | -              | 13,661,579   |

|   | International Growth Cell |                |                | Total<br>USD |
|---|---------------------------|----------------|----------------|--------------|
|   | Level 1<br>USD            | Level 2<br>USD | Level 3<br>USD |              |
| 30 June 2018  |                           |                |                |              |
| Assets  |                           |                |                |              |
| Cash and cash equivalents   | 560,184                   | -              | -              | 560,184      |
| Other receivables   | -                         | 5,138          | -              | 5,138        |
| Total   | 560,184                   | 5,138          | -              | 565,322      |
| Liabilities   |                           |                |                |              |
| Other payables  | -                         | 14,382         | -              | 14,382       |
| Net assets attributable to holders of participating redeemable shares | -                         | 14,705,692     | -              | 14,705,692   |
| Total   | -                         | 14,720,074     | -              | 14,720,074   |

The assets and liabilities included in the above table are carried at amortised cost, their carrying values are a reasonable approximation of fair value.



**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Notes to the Financial Statements**

**6. 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:

|              | International Balanced Cell |                | International Growth Cell |                |
|--------------|-----------------------------|----------------|---------------------------|----------------|
|              | 2019                        | 2018           | 2019                      | 2018           |
|              | <u>USD</u>                  | <u>USD</u>     | <u>USD</u>                | <u>USD</u>     |
| Cash at bank | 425,242                     | 873,630        | 159,254                   | 560,184        |
|              | <b>425,242</b>              | <b>873,630</b> | <b>159,254</b>            | <b>560,184</b> |

**7. Derivative Financial Instruments**

Forward foreign exchange contracts designated as at fair value through profit or loss:

| International Balanced Cell                            |         |               |                 |              |                |              |                    |
|--|---------|---------------|-----------------|--------------|----------------|--------------|--------------------|
| 30 June 2019   | Amount  | Maturity Date | Contracted rate | Closing rate | Contract value | Market value | Financial assets / |
|  |         |               |                 |              |                |              | (liabilities)      |
|  |         |               |                 |              |                |              | <u>USD</u>         |
| Outstanding contract to buy GBP                        | 270,000 | 21/08/2019    | 0.7891          | 0.7857       | 342,178        | 343,629      | 1,451              |
|  |         |               |                 |              |                |              | <u>1,451</u>       |
| Fair value of derivative financial instruments - asset |         |               |                 |              |                |              | <u>1,451</u>       |

| International Balanced Cell                                |         |               |                 |              |                |              |                    |
|--|---------|---------------|-----------------|--------------|----------------|--------------|--------------------|
| 30 June 2018   | Amount  | Maturity Date | Contracted rate | Closing rate | Contract value | Market value | Financial assets / |
|  |         |               |                 |              |                |              | (liabilities)      |
|  |         |               |                 |              |                |              | <u>USD</u>         |
| Outstanding contract to buy GBP                            | 275,000 | 20/09/2018    | 0.7527          | 0.7574       | 365,356        | 363,069      | (2,287)            |
|  |         |               |                 |              |                |              | <u>(2,287)</u>     |
| Fair value of derivative financial instruments - liability |         |               |                 |              |                |              | <u>(2,287)</u>     |

| International Growth Cell                              |             |               |                 |              |                |              |                    |
|--|-------------|---------------|-----------------|--------------|----------------|--------------|--------------------|
| 30 June 2019   | Amount      | Maturity Date | Contracted rate | Closing rate | Contract value | Market value | Financial assets / |
|  |             |               |                 |              |                |              | (liabilities)      |
|  |             |               |                 |              |                |              | <u>USD</u>         |
| Outstanding contract to buy GBP                        | GBP 637,000 | 21/08/2019    | 0.7891          | 0.7857       | 807,243        | 810,710      | 3,467              |
| Outstanding contract to buy EUR                        | EUR 480,000 | 21/08/2019    | 0.8881          | 0.8781       | 540,457        | 546,624      | 6,167              |
|  |             |               |                 |              |                |              | <u>9,634</u>       |
| Fair value of derivative financial instruments - asset |             |               |                 |              |                |              | <u>9,634</u>       |

| International Growth Cell                                  |             |               |                 |              |                |              |                    |
|--|-------------|---------------|-----------------|--------------|----------------|--------------|--------------------|
| 30 June 2018   | Amount      | Maturity Date | Contracted rate | Closing rate | Contract value | Market value | Financial assets / |
|  |             |               |                 |              |                |              | (liabilities)      |
|  |             |               |                 |              |                |              | <u>USD</u>         |
| Outstanding contract to buy GBP                            | GBP 560,000 | 20/09/2018    | 0.7527          | 0.7574       | 743,998        | 739,340      | (4,658)            |
| Outstanding contract to buy EUR                            | EUR 380,000 | 20/09/2018    | 0.8523          | 0.8565       | 445,835        | 443,669      | (2,166)            |
|  |             |               |                 |              |                |              | <u>(6,824)</u>     |
| Fair value of derivative financial instruments - liability |             |               |                 |              |                |              | <u>(6,824)</u>     |

In accordance with the Cells' investment objectives the Cells 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 Cells not to apply hedge accounting.

**8. Other receivables**

|                                  | International Balanced Cell |              | International Growth Cell |              |
|----------------------------------|-----------------------------|--------------|---------------------------|--------------|
|                                  | 2019                        | 2018         | 2019                      | 2018         |
|                                  | <u>USD</u>                  | <u>USD</u>   | <u>USD</u>                | <u>USD</u>   |
| Prepayments                      | 252                         | 297          | 252                       | 457          |
| Management fee rebate receivable | 1,539                       | 4,389        | 1,122                     | 4,679        |
| Management shares receivable     | 2                           | 2            | 2                         | 2            |
|                                  | <b>1,793</b>                | <b>4,688</b> | <b>1,376</b>              | <b>5,138</b> |

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Notes to the Financial Statements**

**9. Other payables**

|                                   | International Balanced Cell |               | International Growth Cell |               |
|-----------------------------------|-----------------------------|---------------|---------------------------|---------------|
|                                   | 2019                        | 2018          | 2019                      | 2018          |
|                                   | <u>USD</u>                  | <u>USD</u>    | <u>USD</u>                | <u>USD</u>    |
| Management fee payable            | 3,823                       | 3,993         | 2,232                     | 2,443         |
| Custodian fee payable             | 956                         | 998           | 658                       | 658           |
| Investment management fee payable | 4,779                       | 4,991         | 2,790                     | 3,053         |
| Audit fee payable                 | 6,996                       | 7,499         | 6,996                     | 7,499         |
| Sundry expense payable            | 745                         | 730           | 772                       | 729           |
|                                   | <b>17,299</b>               | <b>18,211</b> | <b>13,448</b>             | <b>14,382</b> |

**10. Share capital**

Each 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 | International Balanced Cell |            | International Growth Cell |            |
|----------------------------|-----------------------------|------------|---------------------------|------------|
|                            | 2019                        | 2018       | 2019                      | 2018       |
|                            | <u>USD</u>                  | <u>USD</u> | <u>USD</u>                | <u>USD</u> |
| Management shares          | 2                           | 2          | 2                         | 2          |

| Participating Redeemable Shares in Issue      | International Balanced Cell |            | International Growth Cell |            |
|---|-----------------------------|------------|---------------------------|------------|
|   | Year ended                  | Year ended | Year ended                | Year ended |
|   | 30.06.19                    | 30.06.18   | 30.06.19                  | 30.06.18   |
| Balance at the beginning of the year          | 17,243,543                  | 17,558,752 | 9,716,249                 | 10,488,650 |
| Issue of participating redeemable shares      | 784,543                     | 498,179    | -                         | 16,856     |
| Redemption of participating redeemable shares | (1,352,220)                 | (813,388)  | (665,670)                 | (789,257)  |
| Balance at the end of the year                | 16,675,866                  | 17,243,543 | 9,050,579                 | 9,716,249  |

| Participating Redeemable Share Capital Account | International Balanced Cell |             | International Growth Cell |             |
|--|-----------------------------|-------------|---------------------------|-------------|
|  | Year ended                  | Year ended  | Year ended                | Year ended  |
|  | 30.06.19                    | 30.06.18    | 30.06.19                  | 30.06.18    |
|  | <u>USD</u>                  | <u>USD</u>  | <u>USD</u>                | <u>USD</u>  |
| Balance at the beginning of the year           | 17,944,122                  | 18,384,978  | 8,838,638                 | 9,982,883   |
| Issue of participating redeemable shares       | 1,074,649                   | 691,132     | -                         | 25,144      |
| Redemption of participating redeemable shares  | (1,874,967)                 | (1,131,988) | (970,994)                 | (1,169,389) |
| Balance at the end of the year                 | 17,143,804                  | 17,944,122  | 7,867,644                 | 8,838,638   |

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

| As at 30 June               | NAV per share | Net assets attributable | Shares in issue | NAV per share | Net assets attributable | Shares in issue |
|-----------------------------|---------------|-------------------------|-----------------|---------------|-------------------------|-----------------|
|                             | 2019          | 2019                    | 2019            | 2018          | 2018                    | 2018            |
|                             | <u>USD</u>    | <u>USD</u>              |                 | <u>USD</u>    | <u>USD</u>              |                 |
| International Balanced Cell | 1.41          | 23,560,888              | 16,675,866      | 1.39          | 24,050,750              | 17,243,543      |
| International Growth Cell   | 1.51          | 13,648,131              | 9,050,579       | 1.51          | 14,705,692              | 9,716,249       |

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

No dividends were paid during the year (2018: Nil) and the Board does not intend to pay any dividends. All available income will be reinvested.

**13. 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.

**13.1 Management and Administration fee**

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

The Manager is 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 per Cell.

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

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Notes to the Financial Statements**

**13. Related-party transactions (continued)**

**13.1 Management and Administration fee (continued)**

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

|                         | International Balanced Cell |            | International Growth Cell |            |
|-------------------------|-----------------------------|------------|---------------------------|------------|
|                         | 2019                        | 2018       | 2019                      | 2018       |
|                         | <u>USD</u>                  | <u>USD</u> | <u>USD</u>                | <u>USD</u> |
| Charged during the year | 45,955                      | 47,916     | 27,984                    | 29,815     |
| Accrued at year end     | 3,823                       | 3,993      | 2,232                     | 2,443      |

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

|                          | International Balanced Cell |            | International Growth Cell |            |
|--------------------------|-----------------------------|------------|---------------------------|------------|
|                          | 2019                        | 2018       | 2019                      | 2018       |
|                          | <u>USD</u>                  | <u>USD</u> | <u>USD</u>                | <u>USD</u> |
| Received during the year | 981                         | 15,466     | (718)                     | 13,819     |
| Accrued at year end      | 1,539                       | 4,389      | 1,122                     | 4,679      |

**13.2 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 each Cell. The Investment Manager is entitled to receive a fee (the "Investment Management fee"), chargeable at a rate of 0.25% of the Cells' NAV per annum, which will accrue as at each Valuation Point, based on the current valuation of the Cells, payable monthly in arrears.

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

|                         | International Balanced Cell |            | International Growth Cell |            |
|-------------------------|-----------------------------|------------|---------------------------|------------|
|                         | 2019                        | 2018       | 2019                      | 2018       |
|                         | <u>USD</u>                  | <u>USD</u> | <u>USD</u>                | <u>USD</u> |
| Charged during the year | 57,443                      | 59,895     | 34,980                    | 37,269     |
| Accrued at year end     | 4,779                       | 4,991      | 2,790                     | 3,053      |

**13.3 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 per annum</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:

|                         | International Balanced Cell |            | International Growth Cell |            |
|-------------------------|-----------------------------|------------|---------------------------|------------|
|                         | 2019                        | 2018       | 2019                      | 2018       |
|                         | <u>USD</u>                  | <u>USD</u> | <u>USD</u>                | <u>USD</u> |
| Charged during the year | 13,030                      | 11,582     | 9,595                     | 9,107      |
| Accrued at year end     | 956                         | 998        | 658                       | 658        |

**13.4 Distribution Partner fee**

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

Since inception, and until further notice, the Distribution Partner has waived their fees.

**13.5 Board of Director's remuneration**

The Directors' fees in respect of each 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 each Cell. Such fees and expenses shall be paid out of the assets of each 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 in 2019 (2018: Nil).

**14. Ultimate controlling party**

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

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2019**

**Fintax Cells**

**Notes to the Financial Statements**

**15. Reconciliation of published valuation to financial statements**

|   | <b>International Balanced Cell</b> |                   | <b>International Growth Cell</b> |                   |
|---|------------------------------------|-------------------|----------------------------------|-------------------|
|   | <b>2019</b>                        | <b>2018</b>       | <b>2019</b>                      | <b>2018</b>       |
|   | <b>USD</b>                         | <b>USD</b>        | <b>USD</b>                       | <b>USD</b>        |
| Net assets per financial statements   | 23,560,888                         | 24,050,750        | 13,648,131                       | 14,705,692        |
| Adjustment:   |                                    |                   |                                  |                   |
| Adjustment in value of assets at financial assets at fair value through profit and loss | -                                  | 49,295            | -                                | 36,493            |
| Adjustment of closing cash balance  | 3,454                              | -                 | 2,534                            | -                 |
| Adjustment in value of derivative financial instruments                                 | (3,651)                            | 3,363             | (23,071)                         | 8,676             |
| Net assets per published valuation  | <u>23,560,691</u>                  | <u>24,103,408</u> | <u>13,627,594</u>                | <u>14,750,861</u> |
|   | <b>USD</b>                         | <b>USD</b>        | <b>USD</b>                       | <b>USD</b>        |
| NAV per share per published valuation   | 1.41                               | 1.40              | 1.51                             | 1.52              |
| NAV per share per financial statements  | <u>1.41</u>                        | <u>1.39</u>       | <u>1.51</u>                      | <u>1.51</u>       |

**16. Subsequent events**

These financial statements were approved for issuance by the Board on 19 November 2019. 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.