

**Flagship International Flexible Fund IC Limited
(An Incorporated Cell of IPFM Guernsey ICC Limited)**

**Annual Report and Audited Financial Statements
For the period from 1 July 2020 to 31 October 2021**

Flagship International Flexible Fund IC Limited
Annual Report and Audited Financial Statements for the period from 1 July 2020 to 31 October 2021

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Flagship International Flexible Fund IC Limited
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General Information

Registered Office

Ground Floor
Dorey Court
Admiral Park
St Peter Port, Guernsey
Channel Islands
GY1 2HT

Legal Advisors

Carey Olsen (Guernsey) LLP
P.O. Box 98
Carey House
Les Banques
St Peter Port, Guernsey
Channel Islands
GY1 4BZ

Directors of the Company and the Cell

Brett Patton (from 13 July 2020)
James Tracey (from 13 July 2020; resigned 29 April 2022)
Simon Sharrott (from 13 July 2020)
Robert Alastair Rhodes (resigned 13 July 2020)
Roxanne Power (resigned 13 July 2020)
Marie Curutchet (resigned 13 July 2020)
Ferdinand van Heerden (resigned 13 July 2020)
Graham Sleep (from 8 April 2022)

Custodian

Butterfield Bank (Guernsey) Limited
P.O. Box 25
Regency Court
Glategny Esplanade
St Peter Port, Guernsey
Channel Islands
GY1 3AP

Investment Manager and Promoter

IP Fund Managers Guernsey Limited
Ground Floor
Dorey Court
Admiral Park
St Peter Port, Guernsey
Channel Islands
GY1 2HT

Administrator, Registrar, Secretary and Paying Agent

JTC Fund Solutions (Guernsey) Limited
Ground Floor
Dorey Court
Admiral Park
St Peter Port, Guernsey
Channel Islands
GY1 2HT

Cell Manager and Distributor

Flagship Asset Management (Pty) Ltd
1st Floor ICR House
Alphen Office Park
Constantia Main Road
Constantia, Cape Town
7800
South Africa

Independent Auditor

BDO Limited
Place Du Pre
Rue Du Pre
St Peter Port, Guernsey
Channel Islands
GY1 3LL

Flagship International Flexible Fund IC Limited
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Company Structure

Flagship International Flexible Fund IC Limited (the “Cell”) is an open ended investment scheme incorporated in Guernsey on 21 December 2007 in accordance with The Companies (Guernsey) Law, 2008, as amended (the “Law”) and The Authorised Collective Investment Schemes (Class B) Rules and Guidance, 2021 (the “Class B Rules”) as issued by the Guernsey Financial Services Commission pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020 (the “POI Law”) The Cell is an incorporated cell of IPFM Guernsey ICC Limited (the “Company”).

The Law allows an Incorporated Cell Company (“ICC”) to create one or more incorporated cells for the purpose of segregating and protecting the assets within those cells so that liabilities attributable to one cell can only be satisfied out of the assets of that cell, and creditors and shareholders of a particular cell have no right to the assets of any other cell or the ICC. Each incorporated cell is a single legal person separate from the ICC of the incorporated cell company and any other incorporated cells.

A cell is not a subsidiary of its ICC. Whilst an ICC can own shares in its own cells and one cell may own shares in another cell of the same ICC (unless prohibited by the cell’s memorandum and articles of incorporation), a cell cannot own shares in its ICC. Each cell will have their own constitutional arrangements and membership of an incorporated cell is distinct from that of another cell. Members of one incorporated cell are not, by virtue of that fact, members either of the ICC or any other incorporated cell. Thus, for voting purposes, a member of an incorporated cell of an ICC may not, in that capacity, vote at a general meeting of the ICC or vice versa.

Each incorporated cell must have a board of directors. To the extent that the board of directors of a cell comprises the same persons as the board of directors of the ICC itself, the directors must meet separately in their capacity as directors of each incorporated cell and, in that capacity, they owe their fiduciary and other duties to the relevant incorporated cell rather than to the ICC. Conversely, when they meet as directors of the ICC they owe their duties to the ICC rather than to any of its incorporated cells.

Each incorporated cell is responsible for the preparation of its accounts in accordance with the Law. The rights and obligations of the holders of participating shares are governed by the Articles of Incorporation of the relevant cell. Copies of the Articles of Incorporation of a cell may be altered by the passing of a special resolution of the cell.

The Cell was formed on 21 December 2007. Audited financial statements have been produced for the period from 1 July 2020 to 31 October 2021.

Flagship International Flexible Fund IC Limited
Annual Report and Audited Financial Statements for the period from 1 July 2020 to 31 October 2021

Cell Manager's Report

Over the last year the Flagship International Flexible Fund IC Limited (the "Fund") generated a return of 17.6% in US dollars which was below that of its composite benchmark which generated a return of 18.2%. From an asset allocation perspective, the flexibility allowed by the Fund's mandate worked to its advantage as the Fund had a large overweight position in equities. We had made our preference for equities over bonds clear at many times in the past and the re-emergence of inflation has served to draw the market's attention to the risks of investing in bonds at the very low yields they currently offer.

Unfortunately the Fund's stock selection worked against it. The Fund benefitted from strong performances out of Tinkoff Credit Systems "TCS", a Russian bank, Capri Holdings, the owner of the Michael Kors and Versace clothing brands and Endava, an IT services company focussed on digital transformation, but the Fund's large detractors more than offset this. The Fund's largest detractors were Alibaba, the Chinese ecommerce company Ubisoft, a French video gaming company and Netease, also a video gaming company but one based in China.

While 2020 was dominated by the sharp sell-off in stocks in February as the result of the Covid pandemic (and subsequent strong recovery), 2021 saw a recovery in business activity but this was accompanied by a rotation from growth stocks into value stocks as expectations for interest rate increases were brought forward. This was due to the fact that the recovery was accompanied by high and rising inflation which laid bare the weaknesses in global supply chains. This has continued post year end. The Fund was on the wrong side of this rotation even though it held none of the loss making, in many cases recently IPO'ed, growth businesses trading at very high multiples of sales.

The Fund also suffered as a result of a poor showing from Chinese stocks. The Chinese stock market up to now has seen strong returns on the back of China's robust economic growth but regulatory developments in that country have taken a turn for the worse. Some of these developments represented a long overdue alignment of China's regulatory environment with that in the West but others appear ill-intentioned and led to a significant impairment of capital in certain sectors, for example, the Chinese education sector.

Looking forward, we continue to prefer equities over bonds and we retain conviction in the Fund's stock holdings. Unfortunately, even great investment track records experience periods of poor performance and we believe the current poor performance will prove to be temporary.

Flagship Asset Management (Pty) Ltd
Cell Manager
Date: 26 May 2022

Flagship International Flexible Fund IC Limited

Annual Report and Audited Financial Statements for the period from 1 July 2020 to 31 October 2021

Directors' Report

The Directors present their annual report together with audited financial statements of Flagship International Flexible Fund IC Limited (the "Cell") for the period from 1 July 2020 to 31 October 2021.

Principal Activities

The Cell, with registration number 48255, is a Guernsey registered Incorporated Cell of IPFM Guernsey ICC Limited (the "Company"). Refer to page 3 on company structure.

The Cell aims to provide long term capital growth and in order to attempt to achieve this has invested in a portfolio biased toward equities, but also into a wide range of other asset classes including cash, fixed income, commodities and property and exposure will be taken in a wide range of currencies and markets. The Cell is ideally suited to investors with an above average risk tolerance and with an investment horizon of five years or longer.

The Cell intends to achieve its investment objective by actively-managed portfolio that is spread across a broad range of asset classes and currencies in varying proportions over time. These asset classes include equity, bond, property, as well as money market instruments. The Cell may invest in securities that directly represent the relevant asset class, or it may invest in underlying portfolios of Collective Investment Schemes or other similar schemes that provide exposure to the relevant asset classes, or invest in a combination of the two. Out-performance is targeted through aggressive asset allocation, and focused security and underlying portfolio selection, based on in-house proprietary models of the Cell Manager and extensive internal and external research.

The Cell's investment activities are managed by IP Fund Managers Guernsey Limited (the "Manager") and Flagship Asset Management (Pty) Limited acts as the Cell Manager.

Directors

The Directors of the Cell during the year and at the date of this Report are set out on page 2.

Directors' interests

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

Directors' responsibilities

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

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

The Cell Manager has delegated responsibility for compliance with the Class B Rules to the Directors and the Directors confirm that they have complied with the above requirements in preparing the financial statements.

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

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Directors' Report (continued)

Disclosure of information to auditor

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

Financial statements publication

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

Going concern

The financial statements have been prepared on a going concern basis. The Directors believe that this basis is appropriate as the Cell consists predominantly of securities that are readily realisable, has significant net assets, minimal creditors, is not dependent on any external finance or support from other group entities and as at the date of these financial statements has sufficient cash and bank balances to meet its expected run rate expenses for at least twelve months from the date of signing.

The Directors are aware that the pandemic and the impact of COVID-19 on financial markets, and therefore the Cell, continue to evolve on a daily basis. Vaccination rates continue to climb, which should support an ongoing recovery in economic activity. Despite the ongoing risks presented by COVID-19, we expect the likelihood of widespread lockdowns to decrease and that economies will continue to gradually recover. As a result of this, the Directors continue to actively monitor the situation on a regular basis to ensure the Cell's on-going uninterrupted continuity.

On 24 February 2022, Russian armed forces invaded Ukraine, which had an immediate and negative impact on equity markets globally. The war between the two countries continues to evolve as military activity proceeds and additional sanctions are imposed. In addition to the human toll and impact of the events on entities that have operations in Russia, Ukraine, or neighbouring countries, the war is increasingly affecting economic and global financial markets and exacerbating ongoing economic challenges, including issues such as rising inflation and global supply-chain disruption. The Cell does not have any material direct exposure to Russia or Ukraine as it does not have any operations, material investments or contractual arrangements in these countries.

Independent auditor

BDO Limited were appointed auditor of the Cell and have expressed their willingness to continue in office.

On behalf of the Board

Graham Sleep

Director

Date: 26 May 2022

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Custodian's Report to the Members of Flagship International Flexible Fund IC Limited

In our opinion, the Cell has, in all material aspects, been managed for the period from our appointment being 13 July 2020 to 31 October 2021 in accordance with the provisions of the Principal Documents, Scheme Particulars and The Authorised Collective Investment Schemes (Class B) Rules and Guidance, 2021.

Andrew Thompson

For and on behalf of
Butterfield Bank (Guernsey) Limited

Date: 30 May 2022

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Supplementary Information

1. Number of shares outstanding	31.10.2021	30.06.2020
Class A shares	23,168,134	27,025,142
Class B shares	-	357,062
2. Net asset value per share		
Class A shares	1.46	1.11
Class B shares	-	1.23
3. Highest/ Lowest prices		
Class A shares	1.59/1.13	1.15/0.85
Class B shares	1.59/-	1.26/0.93
Number of shares subscribed		
Class A shares	357,319	173,198
Class B shares	-	-
Number of shares redeemed		
Class A shares	4,214,327	1,165,530
Class B shares	357,062	2,648,687

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Portfolio Statement

Financial Assets at fair value through profit or loss	Holdings	Fair value USD	% of Net assets
Equities: 61.68% (2020: 79.77%)			
Basic Materials			
Firstextile	44,300	-	-
Sedibelo Platinum Mines	2,000,000	180,499	0.53
		180,499	0.53
Communications			
Alibaba Group Holding	34,677	726,841	2.15
Amazon	200	688,800	2.04
Meta Platforms	2,950	934,619	2.77
Huuuge Inc	30,500	261,848	0.78
JD.com Inc. ADR	16,500	658,591	1.95
Rakuten Inc ADR	75,400	827,246	2.45
Take-Two Interactive Software Inc	5,674	1,027,391	3.04
US Foods Holding Corp	20,450	727,611	2.15
		5,852,947	17.33
Construction			
WBHO Ltd	79,100	555,618	1.64
		555,618	1.64
Consumer, Cyclical			
Capri Holdings	20,955	1,127,379	3.34
Zalando	16,752	1,571,744	4.65
Ubisoft Entertainment SA	13,139	710,841	2.10
		3,409,964	10.09
Finance			
AvivaSA Emeklilik	156,837	320,732	0.95
HDFC Bank ADR	9,821	729,504	2.16
Hyprop Investments Limited	337,201	648,370	1.92
TCS Group Holding GDR	9,400	964,440	2.85
		2,663,046	7.88
Industrials			
Antofagasta Plc	31,450	625,315	1.85
International Flavors & Fragrances Inc	5,261	780,996	2.32
		1,406,311	4.17
Technology			
Applied Materials Inc	6,090	828,362	2.45
Duck Creek Technologies Inc	16,329	516,976	1.53
Endava	5,842	928,995	2.75
Karoo000 Ltd	23,004	801,689	2.37
Microsoft Corp	3,963	1,284,448	3.80
Pagseguro Digital Ltd	28,408	1,040,301	3.08
PayPal Holdings Inc	2,630	622,837	1.84
Square Enix Holdings Limited	13,709	748,421	2.22
		6,772,029	20.04
Total Equities		20,840,414	61.68

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Portfolio Statement (continued)

Collective Investment Schemes: 25.11% (2020: 9.03%)

Commodity Funds

Flagship Global Icon Fund	538,550	7,026,138	20.80
NewGold ETF	32,768	550,123	1.63
SPDR Gold Shares	5,387	905,501	2.68
		<u>8,481,762</u>	<u>25.11</u>

Total Collective Investment Schemes

		<u>8,481,762</u>	<u>25.11</u>
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Options: 0.09% (2020: 0.02%)

SPY 1 Put 382 21/01/2022	130	30,420	0.09
		<u>30,420</u>	<u>0.09</u>

Financial assets at fair value through profit or loss

		<u>29,352,596</u>	<u>86.88</u>
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Financial liabilities at fair value through profit or loss

Options: 0.20% (2020: 0.72%)

SPY 1 Call 473 21/01/2022	(130)	(66,690)	(0.20)
		<u>(66,690)</u>	<u>(0.20)</u>

Futures: 0.00% (2020: 1.29%)

		-	-
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Financial liabilities at fair value through profit or loss

		<u>(66,690)</u>	<u>(0.20)</u>
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Other net assets: 13.32% (2020: USD 3,804,538; 12.47%)

		4,500,881	13.32
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Net assets attributable to holder of participating redeemable shares

		<u>33,786,787</u>	<u>100.00</u>
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Flagship International Flexible Fund IC Limited

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Independent Auditor's Report to the Members of Flagship International Flexible Fund IC Limited

Opinion on the financial statements

In our opinion, the financial statements of Flagship International Flexible Fund IC Limited an incorporated cell of IPFM Guernsey ICC Limited (the "Cell"):

- give a true and fair view of the state of the Cell's affairs as at 31 October 2021 and of its profit for the period then ended;
- have been properly prepared in accordance with IFRS; and
- have been properly prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

We have audited the financial statements of the Cell for the period from 1 July 2020 to 31 October 2021 which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Net Assets Attributable to Participating Shareholders and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Cell's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Flagship International Flexible Fund IC Limited

Annual Report and Audited Financial Statements for the period from 1 July 2020 to 31 October 2021

Independent Auditor's Report to the Members of Flagship International Flexible Fund IC Limited (continued)

Other Companies (Guernsey) Law, 2008 reporting

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

- proper accounting records have not been kept by the Cell; or
- the financial statements are not in agreement with the accounting records; or
- we have failed to obtain all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement within the Directors' Report, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Cell and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to its investment activities and we considered the extent to which non-compliance might have a material effect on the Cell's financial statements.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Cell and have a direct impact on the preparation of the financial statements. We determined that the most significant framework which is directly relevant to specific assertions in the financial statements is the financial reporting framework, IFRS. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls) and determined that the principal risks were related to revenue recognition, net asset value based fees and management bias in accounting estimates, specifically to those in relation to the valuation of the investments.

We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Flagship International Flexible Fund IC Limited

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Independent Auditor's Report to the Members of Flagship International Flexible Fund IC Limited (continued)

Audit procedures performed by the engagement team to respond to the risks identified included:

- Discussion with and enquiry of management and those charged with governance concerning known or suspected instances of non-compliance with laws and regulations or fraud;
- Reading minutes of meetings of those charged with governance, correspondence with the Guernsey Financial Services Commission, internal compliance reports, complaint registers and breach registers to identify and consider any known or suspected instances of non-compliance with laws and regulations or fraud;
- Obtaining an understanding of the internal control environment in place to prevent and detect irregularities;
- Recalculating the net asset value based fees based on the relevant scheme particulars, comparing the recalculated amounts with that of management and challenging management on any resulting differences;
- Recalculating investment income and realised and unrealised gains and losses on investments in full based on external source information; and
- We tested the valuation of all listed investments held by agreeing the prices used in the valuation to independent third-party sources.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

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

BDO Limited

BDO Limited
Chartered Accountants
Place du Pré
Rue du Pré
St Peter Port
Guernsey

Date: 30 May 2022

Flagship International Flexible Fund IC Limited
Annual Report and Audited Financial Statements for the period from 1 July 2020 to 31 October 2021

Statement of Financial Position

	Notes	31.10.2021 USD	30.06.2020 USD
Assets			
Current Assets			
Financial assets at fair value through profit or loss	2.5; 6	29,352,596	27,095,212
Cash and cash equivalents		4,591,215	4,484,493
Dividends receivable		1,043	2,513
Other receivables		996	410
		33,945,850	31,582,628
Total assets		33,945,850	31,582,628
Liabilities			
Current Liabilities			
Financial liabilities at fair value through profit or loss		66,690	393,939
Other payables		92,370	65,837
Securities purchased payable		-	617,039
Liabilities (excluding net assets attributable to participating shareholders)		159,060	1,076,815
Net assets attributable to participating shareholders	8	33,786,787	30,505,811
Total liabilities		33,945,847	31,582,626
Equity			
Management shares	7	3	2
Total equity		3	2
Total equity and liabilities		33,945,850	31,582,628
Net asset value per participating shareholders			
Class A – USD	8	1.46	1.11
Class B – USD		-	1.23

The notes on pages 18 to 30 form part of these financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 26 May 2022 and signed on its behalf by:

Graham Sleep

Director

Flagship International Flexible Fund IC Limited
Annual Report and Audited Financial Statements for the period from 1 July 2020 to 31 October 2021

Statement of Comprehensive Income

	Notes	From 01.07.2020 To 31.10.2021 USD	Year ended 30.06.2020 USD
Income			
Net gain on financial assets held at fair value through profit or loss	6	10,028,094	791,888
Deposit income		-	4,695
Dividend income		255,187	469,194
Net other foreign exchange losses		(1,150,816)	(47,811)
Total net income		9,132,465	1,217,966
Expenses			
Audit fee		(8,434)	(10,648)
Custodian fee	3; 9	(17,436)	(21,703)
Investment management fee	3; 9	(515,974)	(461,559)
Management and administration fee	3; 9	(103,409)	(108,150)
Sundry expense		(102,672)	(6,965)
Total operating expense		(747,925)	(609,025)
Net profit before tax		8,384,540	608,941
Withholding tax		(33,062)	(45,421)
Profit for the period/year and total comprehensive income attributable to participating shareholders		8,351,478	563,520

All items in the above statement derive from continuing operations. There is no difference between the increase in net assets attributable to participating shareholders and comprehensive income.

The notes on pages 18 to 30 form part of these financial statements.

Flagship International Flexible Fund IC Limited
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Statement of Cash Flows

	Period ended 31.10.2021 USD	Year ended 30.06.2020 USD
Cash flow from operating activities		
Profit for the period/year	8,351,478	563,520
Adjustments for:		
Net gains on financial assets at fair value through profit or loss	(10,028,094)	(791,888)
Net settlement on other foreign exchange losses	1,150,816	47,811
Dividend income	(255,187)	(469,194)
Withholding tax	33,062	45,421
Operating loss before working capital changes	(747,925)	(604,330)
Net increase in other receivables	(586)	(6)
Net increase in other payables	26,533	5,195
Purchase of financial assets at fair value through profit or loss	(29,614,646)	(31,644,777)
Sale of financial assets at fair value through profit or loss	36,441,068	30,400,992
Dividend received	223,596	441,266
Net cash generated from/(used in) operating activities	6,328,040	(1,401,660)
Cash flow from financing activities		
Cash received from issuance of participating shares	523,258	198,000
Cash paid on redemptions of participating shares	(5,593,760)	(4,486,349)
Net cash used in financing activities	(5,070,502)	(4,288,349)
Net increase/(decrease) in cash and cash equivalents	1,257,538	(5,690,009)
Cash and cash equivalents at the beginning of the period/year	4,484,493	10,222,313
Net settlement on other foreign exchange gains	(1,150,816)	(47,811)
Cash and cash equivalents at the end of the period/year	4,591,215	4,484,493

The notes on pages 18 to 30 form part of these financial statements.

Flagship International Flexible Fund IC Limited**Annual Report and Audited Financial Statements for the period from 1 July 2020 to 31 October 2021****Statement of Changes in Net Assets attributable to Holders of Participating Redeemable Shares**

	From 01.07.2020 To 31.10.2021 USD	Year ended 30.06.2020 USD
Net assets attributable to participating shareholders at the beginning of the period/year	30,505,811	34,230,640
Proceeds from issuance of participating shares	523,258	198,000
Payments on redemption of participating redeemable shares	(5,593,760)	(4,486,349)
Total comprehensive income attributable to participating shareholders	8,351,478	563,520
Net assets attributable to participating shareholders at the end of the period/year	33,786,787	30,505,811

The notes on pages 18 to 30 form part of these financial statements.

Flagship International Flexible Fund IC Limited
Annual Report and Audited Financial Statements for the period from 1 July 2020 to 31 October 2021

Notes to Financial Statements

1. General information

Flagship International Flexible IC Limited (the "Incorporated Cell" or the "Cell"), with company number 48255, was a Guernsey registered, Limited Liability Incorporated Cell of Momentum Mutual Fund ICC Limited (the "Company"). From 13 July 2020, the Cell was a Limited Liability Incorporated Cell of IPFM Guernsey ICC Limited.

The Cell aims to provide long term capital growth and in order to attempt to achieve this has invested in a portfolio biased toward equities, but also into a wide range of other asset classes including cash, fixed income, commodities and property and exposure will be taken in a wide range of currencies and markets. The Cell is ideally suited to investors with an above average risk tolerance and with an investment horizon of five years or longer.

The Cell intends to achieve its investment objective by actively-managed portfolio that is spread across a broad range of asset classes and currencies in varying proportions over time. These asset classes include equity, bond, property, as well as money market instruments. The Cell may invest in securities that directly represent the relevant asset class, or it may invest in underlying portfolios of Collective Investment Schemes or other similar schemes that provide exposure to the relevant asset classes, or invest in a combination of the two. Out-performance is targeted through aggressive asset allocation, and focused security and underlying portfolio selection, based on in-house proprietary models of the Cell Manager and extensive internal and external research.

As at 30 June 2020, the Cell's investment activities were managed by Momentum Wealth International Limited (the "Manager"), with the investment management delegated to Momentum Global Investment Management Limited (the "Investment Manager"). From 13 July 2020, the Cell's investment activities are managed by IP Fund Managers Guernsey Limited.

2. Summary of significant accounting policies

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

2.1 Basis of preparation

The financial statements of the Cell have been prepared on a going concern basis, in accordance with International Financial Reporting Standards (IFRS).

The financial statements have been prepared at an incorporated Cell ("IC") level. The non-cellular assets and liabilities are in respect of the management shares issued by the Company, as disclosed in note 7.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors of the Company to exercise judgement in the process of applying the Cell's accounting policies.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Directors believe that this basis is appropriate as the Cell consists predominantly of securities that are readily realisable, has significant net assets, minimal creditors, is not dependent on any external finance or support from other group entities and as at the date of these financial statements has sufficient cash and bank balances to meet its expected run rate expenses for at least twelve months from the date of signing.

The Directors are aware that the pandemic and the impact of COVID-19 on financial markets, and therefore the Cell, continue to evolve on a daily basis. Vaccination rates continue to climb, which should support an ongoing recovery in economic activity. Despite the ongoing risks presented by COVID-19, we expect the likelihood of widespread lockdowns to decrease and that economies will continue to gradually recover. As a result of this, the Directors continue to actively monitor the situation on a regular basis to ensure the Cell's on-going uninterrupted continuity.

Notes to Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.2 Going concern (continued)

On 24 February 2022, Russian armed forces invaded Ukraine, which had an immediate and negative impact on equity markets globally. The war between the two countries continues to evolve as military activity proceeds and additional sanctions are imposed. In addition to the human toll and impact of the events on entities that have operations in Russia, Ukraine, or neighbouring countries, the war is increasingly affecting economic and global financial markets and exacerbating ongoing economic challenges, including issues such as rising inflation and global supply-chain disruption. The Cell does not have any material direct exposure to Russia or Ukraine as it does not have any operations, material investments or contractual arrangements in these countries.

2.3 New and revised standards, interpretations and amendments

The accounting policies used in the preparation of the financial statements have been consistently applied during the period ended 31 October 2021.

There are no standards, amendments or interpretations in issue at the reporting date which have been issued but are not yet effective and that are deemed to be material to the Company.

2.4 Foreign currency translation

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

2.5 Financial instruments

(a) Financial assets

The Cell's financial assets are classified as those to be measured at fair value through profit or loss and those to be measured at amortised cost. The classification depends on the Cell's business model for managing the financial assets and the contractual terms of the cash flows. Financial assets are measured initially at fair value adjusted by directly attributable transaction costs, except for those carried at fair value through profit or loss with transaction costs recognised directly in profit or loss.

Financial Assets held at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. These assets are subsequently measured at amortised cost using the effective interest method. The effective interest method calculates the amortised cost of financial instruments and allocates the interest over the period of the instrument. The Cell's financial assets held at amortised cost include trade and other receivables, dividends receivable and cash and cash equivalents.

Financial assets at fair value through profit or loss

The Cell has classified investments at fair value through profit or loss as this is the way the Cell manages and evaluates the performance of these assets.

Investments at fair value through profit or loss are recognised when the Cell becomes party to the contractual provisions of the instrument. Recognition takes place on the trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned.

Gains and losses arising from changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Comprehensive Income as they arise.

Notes to Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.5 Financial instruments (continued)

(a) Financial assets (continued)

Derecognition of financial assets

A financial asset is derecognised either (i) when the Cell has transferred substantially all the risks and rewards of ownership; (ii) when it has neither transferred nor retained substantially all the risks and rewards and when it no longer has control over the assets or portion of the asset; or (iii) when the contractual right to receive cash flow has expired. Any loss on derecognition is taken to other income or expenses in the Statement of Comprehensive Income as appropriate.

(b) Financial liabilities

The classification of financial liabilities at initial recognition depends on the purpose for which the financial liability was issued and its characteristics.

Financial liabilities measured at amortised cost

These consist of trade and other payables. These liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Derecognition of financial liabilities

A financial liability is derecognised when the Cell has extinguished the contractual obligations, it expires or it is cancelled. Any gain or loss on derecognition is taken to other income or expenses in the Statement of Comprehensive Income.

(c) Fair value estimation

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

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

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 observable 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 Cell Manager. The Cell Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The Cell invests in publicly traded equity securities and the fair values of these securities are based on the quoted market prices in an active market for identical assets without any adjustments. The fair value of the investments is based on quoted market prices at the close of trading on the reporting date. The quoted market price used for investments held by the Cell is the current bid price and these investments are included in Level 1.

Notes to Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand.

2.7 Share capital

The Cell has the power to issue an unlimited number of management shares of no par value and an unlimited number of participating redeemable shares of no par value.

(a) Management shares

The Cell has issued 2 management shares of no par value issued for £1.00 (2020: \$1.00) each, both of which are beneficially held by the Investment Manager. Cell management shares are not redeemable, do not carry any voting rights while participating shares are in issue, do not carry any right to a dividend, and, in a winding up rank only for a return of paid up capital.

(b) Participating shares

Holders of participating shares in respect of a Cell carry one vote on a show of hands and one vote (and a further part of one vote proportionate to any fraction of a share held by such holder) on a poll for each participating share held at the meetings of the Shareholders. In the event of winding up, participating shares carry a right to share in surplus assets pro rata according to their relative net asset values and then within such share classes pari passu according to the number of participating shares held. A fraction of a participating share will rank pari passu and proportionately with a whole participating share.

Participating redeemable shares are redeemable at the option of the Shareholder and are classified as financial liabilities. Shareholders may request a redemption of all or part of their participating shares of any class in the Cell on any dealing day at the net asset value per share of such class on such dealing day. The participating redeemable share is carried at the redemption amount that is payable in the Statement of Financial Position.

2.8 Revenue recognition

Dividend income from financial assets is recognised in the Statement of Comprehensive Income when the Cell's right to receive payment is established. Interest income from financial assets is recognised in the Statement of Comprehensive Income on an accruals basis.

On acquisition of interest bearing investments, any accrued interest at the date of acquisition is separated from capital and is charged to the Statement of Comprehensive Income. On disposal, the Statement of Comprehensive Income is credited with the part of the proceeds attributable to accrued interest before the capital profit or loss is determined.

2.9 Expenses

All expenses are accounted for on an accruals basis and are recognised in the Statement of Comprehensive Income.

2.10 Taxation

The Cell has been granted exempt status under the terms of The Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 to income tax in Guernsey. Its liability is an annual fee of £1,200 (2020: £1,200).

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

Flagship International Flexible Fund IC Limited
Annual Report and Audited Financial Statements for the period from 1 July 2020 to 31 October 2021

Notes to Financial Statements (continued)

2. Summary of significant accounting policies (continued)

2.11 Capital risk management

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

The Cell's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide return to shareholders. There are no externally imposed capital requirements on the Cell. The Cell has no intention to borrow, other than to fund short term liquidity requirements. The Cell may arrange overdraft facility for such purposes. The Cell may pledge or otherwise grant security over its assets in connection with such borrowings. Other than borrowing to meet short term liquidity requirements, no borrowing is permitted at the Cell level.

3. Significant Agreements

Management and Administration fee

Up until 30 June 2020

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

The Manager is entitled to receive the following Management and Administration fee, chargeable on a sliding scale in respect of all Share Classes, payable monthly in arrears, based on the current valuation and subject to a minimum annual fee of \$22,000 or currency equivalent of the Cell.

Fee - % of NAV per annum	Cell NAV
0.35%	Up to \$30m
0.30%	From \$30m to \$60m
0.25%	Over \$60m

The Administrator is entitled to such remuneration as agreed between the Manager and the Administrator from time to time and such remuneration is paid by the Manager out of the Management and Administration Fee received from the Cell.

From 1 July 2020

IP Fund Managers Guernsey Limited was appointed as the Investment Manager of the Cell from the date of transfer. The Investment Manager earns a Management fee of 0.30% of the Net Asset value of the Cell attributable to the Class of Participating Shares or \$15,000 per annum, whichever is higher.

Investment Management fee

Up until 30 June 2020

The Manager appointed an Investment Manager, Momentum Global Investment Management Limited, a UK registered company, to manage the investment portfolio of the Cell. The Investment Manager is entitled to receive a fee (the "Investment Management fee") of 1.55% per annum of the NAV of the Cell in respect of Class A and 0.05% per annum in respect of Class B. The Investment Management fee will accrue as at each Valuation Point, based on the current valuation of the Cell and payable monthly in arrears.

Flagship International Flexible Fund IC Limited
Annual Report and Audited Financial Statements for the period from 1 July 2020 to 31 October 2021

Notes to Financial Statements (continued)

3. Significant Agreements (continued)

Sub-Investment Management fee

The Cell has appointed Flagship Asset Management (Pty) Ltd as Sub-Investment Manager to the Investment Manager, The Sub-Investment Manager is entitled to receive a fee of 1.5% of the NAV of the Cell in respect of Class A per annum (the "Sub-Investment Management fee") and will be paid out of the fee received by the Investment Manager. No fee is charged in respect of Class B. The Sub-Investment Management fee will accrue as at each Valuation Point, based on the current valuation of the Cell and is payable monthly in arrears.

Cell Management fee

From 1 July 2020

Flagship Asset Management (Pty) Limited is the Cell Manager. The Cell Manager receives a fee per share class out of the assets of the Cell, calculated at each valuation point as a percentage of the Net Asset Value of the Cell as follows:

Class A Shares - 1.5% per annum
 Class B Shares - 0.0% per annum
 Class C Shares - 0.65% per annum

Performance fee

No performance fee is applicable.

The benchmark for the Cell is a composite of 50% MSCI World Equity Index, 30% JP Morgan Global Bond Index and 20% US\$ Overnight Call Rate.

Custodian fee

Up until 30 June 2020

The Cell 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 \$8,000 per annum which will be borne by the Classes on a pro rata basis by reference to their respective NAVs.

Fee - % of NAV per annum	Cell NAV
0.05%	Up to \$30m
0.04%	Over \$30m up to \$60m
0.03%	Over \$60m up to \$100m
0.02%	Over \$100m

From 1 July 2020

Butterfield Bank (Guernsey) Limited was appointed as the Custodian from the transfer date and is entitled to a fee for the services rendered to the Cell of 0.05% of the Net Asset Value of the Cell attributable to the Class of Participating Shares or £6,500 per annum, whichever is higher.

Directors' fee

Up until 30 June 2020

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

Notes to Financial Statements (continued)

3. Significant Agreements (continued)

Directors' fee (continued)

From 1 July 2020

Each Director of the Company is entitled to receive a single annual director's fee of up to \$10,000 per annum. This fee is paid by the Cell from transfer date, which calculation shall be at the sole discretion of the Directors. Mr Simon Sharrott and Mr Brett Paton's fee is pro-rated based on the number of Cells. Mr James Tracey's fee is paid by the Investment Manager.

Distribution Partner fee

The Cell has appointed Flagship Asset Management (Pty) Ltd as Distribution Partner to promote and market the Cell. As the Cell Manager and the Distributor are the same person, no Distributor fee shall be payable.

4. Financial risk management

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

4.1 Market risk

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

All investments present a risk of loss of capital. The Cell 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 financial instruments. The Cell's overall market position is monitored by the Cell Manager and are reviewed by the Board of Directors.

The Cell's market price risk is managed through diversification of the investment portfolio by exposure to varying product categories, hence concentration of risk is minimised.

The following considers the Cell's sensitivity to a 10% increase or decrease in market prices, with 10% being the sensitivity rate used to report price risk internally to key management personnel and representing management's assessment of the reasonably possible change in market prices.

At 31 October 2021, if market prices had been 10% higher with all other variables held constant, the increase in the fair value of financial assets at fair value through profit or loss would have been \$2,928,591 (2020: \$2,670,127). An equivalent decrease in market prices would have resulted in an equivalent, but opposite, impact.

4.2 Interest rate risk

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

The majority of the Cell's financial assets and liabilities are non-interest bearing. As a result, the Cell is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates. As this risk is not significant, no quantitative disclosures have been presented.

Flagship International Flexible Fund IC Limited
Annual Report and Audited Financial Statements for the period from 1 July 2020 to 31 October 2021

Notes to Financial Statements (continued)

4. Financial risk management (continued)

4.3 Currency risk

Currency risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign currency exchange rates. The Cell holds assets including investments denominated in currencies other than US Dollar, the functional currency, however this is considered as part of the price risk of the investments. There is no other material exposure to currency and so no sensitivity is prepared.

In accordance with the Cell's policy, the Cell Manager monitors the Cell's currency position on a regular basis and has the ability to enter into currency and market hedging by engaging in currency transactions in the spot and forward markets to mitigate any significant currency risk.

4.4 Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Cell. The investments of the Cell are determined by the Cell Manager in accordance with the criteria set out in the Cell Particulars. All transactions in securities are settled/paid upon delivery using approved brokers. The risk of default is considered minimal as the trade will fail if either party fails to meet their obligation.

The Cell's maximum credit exposure is limited to cash balances and receivables recognised at the reporting date. The Cell's maximum exposure to credit risk is estimated at approximately \$4,593,253 (2020: \$4,487,416) being the sum of receivables and the value of cash held with the custodian as at the period end.

No financial assets are either past due or impaired.

4.5 Liquidity risk

Liquidity risk is the risk that the Cell will encounter difficulty in meeting obligations associated with financial liabilities. The main liquidity risk is the risk that the Cell may be unable to recover funds invested through the usual redemption process which may result in the Cell having insufficient funds to settle a transaction on the due date. Due to the nature of the Cell, the majority of investments held are in marketable securities that are readily tradable and have reported no warnings regarding their ability to process redemptions as normal. The Cell has the ability to borrow to meet short term liquidity requirements; however, to date, the Cell has not entered into such arrangements.

The table below analyses the Cell's financial 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.

As at 31.10.2021	Less than 1 month USD	Between 1 and 12 months USD	Greater than 12 months USD	No fixed repayment
Financial liabilities at fair value through profit or loss	-	66,690	-	-
Other payables	92,370	-	-	-
Liabilities	92,370	66,690	-	-
Net assets attributable to participating shareholders	-	-	-	33,786,787

Flagship International Flexible Fund IC Limited
Annual Report and Audited Financial Statements for the period from 1 July 2020 to 31 October 2021

Notes to Financial Statements (continued)

4. Financial risk management (continued)

4.5 Liquidity risk (continued)

As at 30.06.2020	Less than 1 month USD	Between 1 and 12 months USD	Greater than 12 months USD	No fixed repayment
Financial liabilities at fair value through profit or loss	-	393,939	-	-
Other payables	65,837	-	-	-
Securities purchased payable	617,039	-	-	-
Liabilities	682,876	393,939	-	-
Net assets attributable to participating shareholders	-	-	-	30,505,811

4.6 Capital risk management

The capital of the Cell is represented by the net assets attributable to holders of participating redeemable shares. The Cell's objective when managing capital is to safeguard the ability to continue as a going concern in order to provide returns for unitholders and to maintain a strong capital base to support the development of the investment activities of the Cell.

The Cell Manager monitors capital on the basis of the value of net assets attributable to holders of participating redeemable shares.

5. Critical accounting estimates and judgements

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.

There were no judgements made in relation to the fair value of the investments as all investments are based on active quoted market prices.

6. Financial assets and liabilities at fair value through profit and loss

Movement on financial assets at fair value through profit or loss	31 October 2021	30 June 2020
	USD	USD
Opening market value at start of the period/year	27,095,212	24,392,525
Purchases at cost	28,997,607	31,819,634
Sale proceeds	(36,441,068)	(30,400,992)
Net realised gains/(losses)	6,804,320	(1,302,968)
Net unrealised gains	2,896,525	2,587,014
Closing market value at the end of the period/year	29,352,596	27,095,212
Movement on financial liabilities at fair value through profit or loss	31 October 2021	30 June 2020
	USD	USD
Opening market value at start of the period/year	(393,939)	-
Purchases at cost	-	98,219
Net unrealised gains/(losses)	327,249	(492,158)
Closing market value at the end of the period/year	(66,690)	(393,939)

Flagship International Flexible Fund IC Limited
Annual Report and Audited Financial Statements for the period from 1 July 2020 to 31 October 2021

Notes to Financial Statements (continued)

6. Financial assets and liabilities at fair value through profit and loss (continued)

	31 October 2021 USD	30 June 2020 USD
Net gains from financial assets and liabilities at fair value through profit or loss		
Net realised gains/(losses)	6,804,320	(1,302,968)
Net unrealised gains	3,223,774	2,094,856
Net gains on financial assets and liabilities held at fair value through profit and loss	10,028,094	791,888

Fair value measurements recognised in the Statement of Financial Position

The following tables analyse within the fair value hierarchy the financial assets and liabilities measured at fair value as at 31 October 2021 and 30 June 2020:

31 October 2021	Level 1	Level 2	Level 3	Total
Equities	20,659,915	-	180,499	20,840,414
Collective Investment Schemes	8,481,762	-	-	8,481,762
Options	(36,270)	-	-	(36,270)
	29,105,407	-	180,499	29,285,906

30 June 2020	Level 1	Level 2	Level 3	Total
Equities	24,125,457	-	208,026	24,333,483
Collective Investment Schemes	2,756,791	-	-	2,756,791
Options	(213,991)	-	-	(213,991)
Futures	(175,010)	-	-	(175,010)
	26,493,247	-	208,026	26,701,273

7. Share capital

The Cell has an authorised share capital of 100 Management shares of £1.00 (2020: \$1.00) each and an unlimited number of no par value participating redeemable shares.

Management Shares in Issue	31 October 2021 USD	30 June 2020 USD
Management shares (2 shares of £1 (2020: \$1.00) each)	3	2

Participating Redeemable Shares	Class A Period ended 31 October 2021		Class A Year ended 30 June 2020	
	No of shares	USD	No of shares	USD
Balance at the beginning of the period/year	27,025,142	24,229,657	28,017,474	25,306,691
Issued during the period/year	357,319	523,258	173,198	198,000
Redeemed during the period/year	(4,214,327)	(5,024,568)	(1,165,530)	(1,275,034)
Balance at the end of the period/year	23,168,134	19,728,347	27,025,142	24,229,657

Flagship International Flexible Fund IC Limited
Annual Report and Audited Financial Statements for the period from 1 July 2020 to 31 October 2021

Notes to Financial Statements (continued)

7. Share capital (continued)

	Class B Period ended 31 October 2021		Class B Year ended 30 June 2020	
	No of shares	USD	No of shares	USD
Balance at the beginning of the period/year	357,062	(181,733)	3,005,749	3,029,582
Issued during the period/year	-	-	-	-
Redeemed during the period/year	(357,062)	(569,192)	(2,648,687)	(3,211,315)
Adjustment on redemption	-	750,925	-	-
Balance at the end of the period/year	-	-	357,062	(181,733)

Refer to note 2.7 for the rights attached to each class of share.

8. Net asset value per participating redeemable share

31 October 2021	NAV per share USD	Net assets attributable USD	Shares in issue
Class A	1.46	33,786,787	23,168,134
Class B	-	-	-
Total		33,786,787	23,168,134

30 June 2020	NAV per share USD	Net assets attributable USD	Shares in issue
Class A	1.11	30,067,423	27,025,142
Class B	1.23	438,388	357,062
Total		30,505,811	27,382,204

Reconciliation of Traded Net Asset Value to Reported Net Asset Value

The Cell's traded Net Asset value differs to the reported Net Asset value by the pricing of the investment securities at Bid prices in the reported Net Asset value versus Mid prices used in the traded Net Asset value. There is also a difference due to the accruals between the last day of the valuation period and the last day of the financial year end of the Cell.

	31 October 2021 USD	31 October 2020 USD
Traded Net Asset Value	33,808,932	30,505,811
Bid price adjustments	(18,445)	-
Accruals	(3,700)	-
Reported Net Asset Value	33,786,787	30,505,811

Flagship International Flexible Fund IC Limited
Annual Report and Audited Financial Statements for the period from 1 July 2020 to 31 October 2021

Notes to Financial Statements (continued)

9. Related party transactions

A party is considered to be a related party if it has the ability to exercise control over the Cell or exercise significant influence over the Cell in making operational and financial decisions.

Directors

Simon Sharrot is a Director of IP Fund Managers Guernsey Limited (the "Investment Manager") which is the sole shareholder to IPFM Guernsey ICC Limited (the "ICC"). He is also the joint managing Director of MitonOptimal Portfolio Management (CI) Limited ("MOPMCI"), a Guernsey registered company, which provides sub-investment management services to the Investment Manager and is a shareholder of MitonOptimal International Limited which owns 100% of MOPMCI and 23% of IP Fund Managers Guernsey Limited.

Brett Paton is a Director and the holder of 2.75% shares of the Investment Manager. He is also a Director of IP Management Company (RF) Pty Ltd, the representative for the distribution of the ICC's cells in South Africa.

James Tracey is a Director of the Investment Manager. He is also a Director of JTC Fund Solutions (Guernsey) Limited, the administrator and secretary to the Investment Manager, the ICC and the ICC's cells.

During the period/year the Directors earned fees of \$1,433 (2020: Nil), all of which remains outstanding at period end (2020: Nil).

Investment Management Fees

During the period/year the Investment Manager earned management fees of \$515,974 (2020: \$461,559) of which \$42,869 (2020: \$41,024) remained outstanding at period/year end.

Cell Management Fees

Flagship Asset Management (Pty) Limited is the Cell Manager and the holder of 100% of the Class C shares in the Investment Manager.

During the period the Cell Manager earned \$103,409 (2020: \$108,150) of which \$8,574 (2020: \$9,363) remained outstanding at period/year end.

Performance fees

The Cell Manager did not earn any performance fees during the current or prior period and no performance fees are outstanding at period end.

Custodian fee

Butterfield Bank (Guernsey) Limited (previously Northern Trust (Guernsey) Limited) provides custodian services to the Cell.

During the period/year the Custodian earned fees of \$17,436 (2020: \$21,703) of which \$5,875 (2020: \$1,336) remained outstanding at period/year end.

10. Ultimate controlling party

In the opinion of the Directors there is no ultimate controlling party as no one party has the ability to direct the financial and operating policies of the Cell.

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Notes to Financial Statements (continued)

11. Subsequent events

On 24 February 2022, Russian armed forces invaded Ukraine, and the conflict between these two countries continues to evolve. As at the date of the signing of these financial statements, the Cell does not have any material direct exposure to these countries. This is considered to be a non-adjusting subsequent event and as a result all valuations as at 31 October 2021 do not take this into account.

Graham Sleep was appointed to the board of directors with effect from 8 April 2022.

James Tracey resigned from the board of directors with effect from 29 April 2022.

There were no other material events after the reporting date which require disclosure in these financial statements.