

**Flagship Global Icon Fund IC Limited**  
**(An Incorporated Cell of IPFM Guernsey ICC Limited)**

**Annual Report and Audited Financial Statements**  
**For the year ended 31 October 2023**

**Flagship Global Icon Fund IC Limited**  
**Annual Report and Audited Financial Statements for the year ended 31 October 2023**

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**Flagship Global Icon Fund IC Limited**  
**Annual Report and Audited Financial Statements for the year ended 31 October 2023**

**General Information**

**Registered Office**

Ground Floor (until 4 March 2024)  
Dorey Court  
Admiral Park  
St Peter Port, Guernsey  
Channel Islands  
GY1 2HT

1, Royal Plaza (from 5 March 2024)  
Royal Avenue  
St Peter Port  
Guernsey  
Channel Islands  
GY1 2HL

**Directors of the Company and the Cell**

Brett Paton  
Simon Sharrott  
Graham Sleep (resigned 5 December 2023)  
Chris Hickling (appointed 5 December 2023)

**Investment Manager and Promoter**

IP Fund Managers Guernsey Limited  
Ground Floor (until 4 March 2024)  
Dorey Court  
Admiral Park  
St Peter Port, Guernsey  
Channel Islands  
GY1 2HT

1, Royal Plaza (from 5 March 2024)  
Royal Avenue  
St Peter Port  
Guernsey  
Channel Islands  
GY1 2HL

**Cell Manager and Distributor**

Flagship Asset Management (Pty) Limited  
1<sup>st</sup> Floor ICR House  
Alphen Park  
Constantia Main Road  
Constantia, Cape Town  
7800  
South Africa

**Legal Advisors**

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

**Custodian**

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

**Independent Auditor**

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

**Administrator, Registrar, Secretary and Paying Agent**

JTC Fund Solutions (Guernsey) Limited (until 4 March 2024)  
Ground Floor  
Dorey Court  
Admiral Park  
St Peter Port, Guernsey  
Channel Islands  
GY1 2HT

Apex Administration (Guernsey) Limited (from 5 March 2024)  
1, Royal Plaza  
Royal Avenue  
St Peter Port  
Guernsey  
Channel Islands  
GY1 2HL

**Flagship Global Icon Fund IC Limited**  
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**Company Structure**

Flagship Global Icon Fund IC Limited (the “Cell”) is an open ended investment scheme incorporated in Guernsey on 3 October 2019 in accordance with the Companies (Guernsey) Law, 2008, (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 3 October 2019 and trading began on 30 July 2020. Audited financial statements have been produced for the year ended 31 October 2023.

**Flagship Global Icon Fund IC Limited**  
**Annual Report and Audited Financial Statements for the year ended 31 October 2023**

**Cell Manager's report**

For the year ended 31st of October 2023, Flagship Icon Fund IC Limited returned 2.6% in US dollars versus the Fund's benchmark, the MSCI ACWI, which returned 10.5%.

Fiscal 2023 saw the market rebound strongly off its fiscal 2022 levels. This is an outcome which was unexpected to say the least. The year to end of October 2022 saw some of the steepest interest rate increases on record and, with inflation remaining stubbornly high at the end of fiscal 2022, fears of further rate increases and a recession in fiscal 2023 loomed large. While rate increases materialized (and they have been largely successful at taming inflation), the US economy remains unexpectedly strong and there are still no signs of a recession. This was not to the benefit of the Fund's relative performance as we were (and continue to be) defensively positioned. We believe that behind the innocuous enough headline numbers there are still causes for concern. Negative data points include a substantial in US corporate bankruptcies, PMIs are coming under pressure, declining consumer savings rates and depletion of excess savings, amongst others.

What also surprised in the fiscal year to 2023 was the distribution of US equity returns. The so called "Magnificent 7" (Apple, Microsoft, Alphabet, Amazon, Nvidia, Tesla, Meta) generated almost all the market returns due to the Artificial Intelligence "AI" craze and the rest of the market generated returns which were decidedly lack lustre. Unfortunately this also did not play to our hand. These stocks traded at a significant premium to the market and our valuation discipline prevented us from owning many of them and/or selling the ones we did own too early. Being disciplined in terms of what we are prepared to pay for a share will not always work over shorter-term horizons, but we believe it is crucial to generate good returns in the longer term. AI is an exciting, ground-breaking technology but the market is at risk of over-discounting its impact in the shorter-term, similar to what happened with the internet craze in the early 2000s.

In terms of notable contributors in fiscal 2023, there was Applied Materials, a semi-conductor equipment provider (+62.9% for the year), Informa, a trade show hosting company (+37.1%) which benefitted from the return to normal after Covid, and Zalando (+1.78%), an online fashion retailer.

In terms of detractors, there was Pagseguro, a Brazilian credit card acquirer (-47%), Pagseguro has subsequently recovered some of its lost ground in fiscal 2024. There was also International Flavours and Fragrances (-29%), and Square Enix, a Japanese computer gaming company (-25%).

For fiscal 2024, we believe the Fund's cautious positioning will play to its favour and we look forward to having a better story to relate.

Flagship Asset Management (Pty) Ltd  
Cell Manager  
Date: 22 April 2024

# **Flagship Global Icon Fund IC Limited**

## **Annual Report and Audited Financial Statements for the year ended 31 October 2023**

### **Directors' Report**

The Directors present their annual report together with audited financial statements of Flagship Global Icon Fund IC Limited (the "Cell") for the year ended 31 October 2023. The Cell started trading activities on 30 July 2020.

### **Principal Activities**

The Cell, with registration number 66856, is a Guernsey registered Incorporated Cell of IPFM Guernsey ICC Limited (the "Company"). Refer to page 3 on company structure.

The Cell seeks to provide long-term capital appreciation. The Cell invests in high-quality companies that the Cell Manager believes will generate superior returns over the long-term. The Cell is actively managed and will be fully invested in equities at all times. The Cell has the ability to hold up to 10% in cash and use currency futures or forwards to manage currency exposure. The Cell is geographically unconstrained provided it invests in securities listed on a Recognised Investment Exchange.

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

### **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.

## **Directors' Report (continued)**

### **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 continue to monitor the ongoing global events. Whilst the Directors do not underestimate the seriousness of the issues and the inevitable effect they are having on the global economy, the Directors do not consider they cast any significant doubt on the ability of the Company to continue as a going concern.

### **Independent auditor**

BDO Limited are the auditors of the Cell and have expressed their willingness to continue in office.

On behalf of the board:



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Director

Date: 22 April 2024

**Flagship Global Icon Fund IC Limited**  
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**Custodian's Report to the Members of Flagship Global Icon Fund IC Limited**

In our opinion, the Cell has, in all material aspects, been managed for the year ended 31 October 2023 in accordance with the provisions of the Principal Documents, Scheme Particulars and The Authorised Collective Investment Schemes (Class B) Rules and Guidance, 2021.

**Thompson, Andrew**  Digitally signed by Thompson, Andrew  
Date: 2024.04.23 11:08:34 +01'00'

For and on behalf of  
Butterfield Bank (Guernsey) Limited

Date:

**Flagship Global Icon Fund IC Limited**  
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**Supplementary Information**

	<b>31.10.2023</b>	<b>31.10.2022</b>
<b>1. Number of shares outstanding</b>		
Class A shares	678,871	441,435
Class C shares	538,551	675,663
<b>2. Net asset value per share</b>		
Class A shares	7.6277	7.4152
Class C shares	7.9168	7.6226
<b>3. Highest/ Lowest prices</b>		
Class A shares	8.8022/ 7.2815	13.1634/ 6.8773
Class C shares	9.0754/ 7.4859	13.3817/ 7.0623
<b>4. Number of shares subscribed</b>		
Class A shares	319,265	118,101
Class C shares	-	1,139
<b>5. Number of shares redeemed</b>		
Class A shares	(81,829)	(69,645)
Class C shares	(137,112)	(1,139)

**Flagship Global Icon Fund IC Limited**  
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**Portfolio Statement**

<b>Financial Assets at fair value through profit or loss</b>	<b>Holdings</b>	<b>Fair value USD</b>	<b>% of Net assets</b>
<b>Equities:</b>			
<b>Industrials</b>			
Hensoldt AG	6,350	188,910	2.00
		<b>188,910</b>	<b>2.00</b>
<b>Consumer Goods</b>			
Becle Sab De CV	66,500	117,626	1.25
British American Tobacco	15,870	474,264	5.02
Heineken	3,250	293,452	3.11
Informa Plc	54,865	475,541	5.04
Kering	1	408	-
Reckitt Benckiser Group	6,255	419,032	4.44
Tapestry Incorporated	11,290	311,040	3.29
		<b>2,091,363</b>	<b>22.15</b>
<b>Consumer Services</b>			
Amazon.Com Inc.	2,920	388,448	4.11
Concentrix Corp	2,770	211,102	2.24
Endava PLC	6,470	324,082	3.43
Ipsos	6,350	309,753	3.28
Rakuten Inc ADR	61,772	228,131	2.42
Square Enix Holdings	8,369	277,486	2.94
		<b>1,739,002</b>	<b>18.42</b>
<b>Financials</b>			
Avivasa Emeklilik	95,900	199,174	2.11
Credicorp Com	1,425	178,168	1.89
Euronext	4,200	294,470	3.12
Legal & General Group Plc	164,800	423,542	4.48
		<b>1,095,354</b>	<b>11.60</b>
<b>Technology</b>			
Alphabet Inc	1,460	182,894	1.94
Blue Label Telecoms Ltd	1,075,000	185,305	1.96
Pagseguro Digital Ltd	1	7	-
Thales	2,880	426,860	4.52
		<b>795,066</b>	<b>8.42</b>
<b>Healthcare</b>			
United Health Group Inc	730	390,892	4.14
		<b>390,892</b>	<b>4.14</b>
<b>Oil , Equipment, Services and Distribution</b>			
Schlumberger Limited	8,308	462,340	4.90
Shell PLC	10,655	343,400	3.64
Total SA	4,800	323,239	3.42
		<b>1,128,979</b>	<b>11.96</b>

**Flagship Global Icon Fund IC Limited**  
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**Portfolio Statement (continued)**

<b>Financial Assets at fair value through profit or loss</b>	<b>Holdings</b>	<b>Fair value USD</b>	<b>% of Net assets</b>
<b>General</b>			
iShares Global MSCI ACWI ETF	7,410	666,900	7.06
iShares Global MSCI ACWI UCITS ETF	5,200	342,576	3.63
Invesco Golden Dragon China ETF	9,100	229,957	2.44
Vaneck Vectors Gold Miners ETF Trust	13,300	372,267	3.94
		<b>1,611,700</b>	<b>17.07</b>
<b>Financial assets at fair value through profit or loss</b>		<b>9,041,266</b>	<b>95.76</b>
Other net assets		400,588	4.24
<b>Net assets attributable to holder of participating redeemable shares</b>		<b>9,441,854</b>	<b>100.00</b>

## **Independent Auditor's Report to the Members of Flagship Global Icon Fund IC Limited**

### **Opinion on the financial statements**

In our opinion, the financial statements of Flagship Global Icon Fund IC Limited ("the Cell"):

- give a true and fair view of the state of the Cell's affairs as at 31 October 2023 and of its profit for the year 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 year ended 31 October 2023 which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Net Assets Attributable to 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 the 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.

## **Independent Auditor's Report to the Members of Flagship Global Icon 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 risk was related to mid-year net asset values used for fees based on net asset values.

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.

**Independent Auditor's Report to the Members of Flagship Global Icon 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; and
- Performing analytical review on the net asset values throughout the year with a focus on identifying movements over a set threshold and investigating the movements to source documentation.

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: 23 April 2024

**Flagship Global Icon Fund IC Limited**  
**Annual Report and Audited Financial Statements for the year ended 31 October 2023**

**Statement of Financial Position**

	Notes	31.10.2023 USD	31.10.2022 USD
<b>Assets</b>			
<b>Non-Current Assets</b>			
Financial assets at fair value through profit or loss	2.5; 6	9,041,266	7,936,760
<b>Current Assets</b>			
Cash and cash equivalents		411,149	529,853
Dividends receivable		12,214	-
Other receivables		10,340	2,020
		<b>433,703</b>	<b>531,873</b>
<b>Total assets</b>		<b>9,474,969</b>	<b>8,468,633</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Capital shares payable		15,000	-
Trades not yet settled		-	21,529
Other payables		18,103	23,438
		<b>33,103</b>	<b>44,967</b>
<b>Liabilities (excluding net assets attributable to participating shareholders)</b>			
Net assets attributable to participating shareholders	8	9,441,854	8,423,654
<b>Total liabilities</b>		<b>9,474,957</b>	<b>8,468,621</b>
<b>Equity</b>			
Management shares	7	12	12
<b>Total equity</b>		<b>12</b>	<b>12</b>
<b>Total equity and liabilities</b>		<b>9,474,969</b>	<b>8,468,633</b>
<b>Net asset value per participating shareholders</b>			
Class A – USD	8	7.6277	7.4152
Class C – USD	8	7.9168	7.6226

The notes on pages 18 to 28 form part of these financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 22 April 2024 and signed on its behalf by:



Director

**Flagship Global Icon Fund IC Limited**  
**Annual Report and Audited Financial Statements for the year ended 31 October 2023**

**Statement of Comprehensive Income**

	Notes	31.10.2023 USD	31.10.2022 USD
<b>Income</b>			
Net gain/(loss) on financial assets held at fair value through profit or loss	6	289,764	(5,650,413)
Dividend income		197,049	56,585
Other income		2,718	154
<b>Total income/(loss)</b>		<b>489,531</b>	<b>(5,593,674)</b>
<b>Expenses</b>			
Audit fee		(11,485)	(8,012)
Custodian fee	3	(7,996)	(8,244)
Cell Manager fee	3;9	(46,014)	(37,180)
Investment Management fee	3;9	(30,992)	(29,501)
Directors fees	3;9	(971)	(1,794)
Sundry expense		(15,193)	(6,582)
Transaction fees		(9,285)	(11,399)
Net other foreign exchange loss		(70,920)	(67,173)
<b>Total operating expense</b>		<b>(192,856)</b>	<b>(169,885)</b>
<b>Net profit/(loss) before tax</b>		<b>296,675</b>	<b>(5,763,559)</b>
Withholding tax		(25,956)	(13,087)
<b>Profit/(loss) for the year and total comprehensive income/(loss) attributable to participating shareholders</b>		<b>270,719</b>	<b>(5,776,646)</b>

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 28 form part of these financial statements.

**Flagship Global Icon Fund IC Limited**  
**Annual Report and Audited Financial Statements for the year ended 31 October 2023**

**Statement of Cash Flows**

	<b>31.10.2023</b>	<b>31.10.2022</b>
	<b>USD</b>	<b>USD</b>
<b>Cash flow from operating activities</b>		
Profit/(loss) for the year	270,719	(5,776,646)
<b>Adjustments for:</b>		
Net (gains)/losses on financial assets at fair value through profit or loss	(289,764)	5,650,413
Dividends income	(197,049)	(56,585)
Withholding tax	25,956	13,087
<b>Operating loss before working capital changes</b>	<b>(190,138)</b>	<b>(169,731)</b>
Net (increase)/decrease in other receivables	(8,320)	1,538
Net (decrease)/increase in other payables	(5,335)	2,349
Purchase of financial assets at fair value through profit or loss	(11,335,985)	(7,639,506)
Sale of financial assets at fair value through profit or loss	10,499,714	7,656,271
Dividend received	158,879	44,183
<b>Net cash used in operating activities</b>	<b>(881,185)</b>	<b>(104,896)</b>
<b>Cash flow from financing activities</b>		
Cash received from issuance of participating shares	2,548,907	1,013,813
Cash paid on redemptions of participating shares	(1,786,426)	(662,451)
<b>Net cash generated from financing activities</b>	<b>762,481</b>	<b>351,362</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(118,704)</b>	<b>246,466</b>
Cash and cash equivalents at the beginning of the year	529,853	283,387
<b>Cash and cash equivalents at the end of the year</b>	<b>411,149</b>	<b>529,853</b>

The notes on pages 18 to 28 form part of these financial statements.

**Flagship Global Icon Fund IC Limited****Annual Report and Audited Financial Statements for the year ended 31 October 2023****Statement of Changes in Net Assets attributable to Holders of Participating Redeemable Shares**

	<b>31.10.2023</b>	<b>31.10.2022</b>
	<b>USD</b>	<b>USD</b>
<b>Net assets attributable to participating shareholders at the beginning of the year</b>	<b>8,423,654</b>	<b>13,848,938</b>
Proceeds from issuance of participating shares	2,548,907	1,013,813
Payments on redemption of participating redeemable shares	(1,801,426)	(662,451)
Total comprehensive income/(loss) attributable to participating shareholders	270,719	(5,776,646)
<b>Net assets attributable to participating shareholders at the end of the year</b>	<b>9,441,854</b>	<b>8,423,654</b>

The notes on pages 18 to 28 form part of these financial statements.

## **Notes to Financial Statements**

### **1. General information**

Flagship Global Icon Fund IC Limited (the “Cell”), with registration number 66856, is a Guernsey registered, Limited Liability Incorporated Cell of IPFM Guernsey ICC Limited (the “Company”).

The Cell seeks to provide long-term capital appreciation. The Cell invests in high-quality companies that the Cell Manager believes will generate superior returns over the long-term. The Cell is actively managed and will be fully invested in equities at all times. The Cell has the ability to hold up to 10% in cash and use currency futures or forwards to manage currency exposure. The Cell is geographically unconstrained provided it invests in securities listed on a Recognised Investment Exchange.

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.

### **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 continue to monitor the ongoing global events. Whilst the Directors do not underestimate the seriousness of the issues and the inevitable effect they are having on the global economy, the Directors do not consider they cast any significant doubt on the ability of the Company to continue as a going concern.

#### **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 year ended 31 October 2023.

##### *New standards, interpretations and amendments in issue but not yet effective*

IAS 1 was amended to require that only material accounting policy information shall be disclosed in the annual financial statements. The amendment will not result in changes to measurement or recognition of financial statement items, but management will undergo a review of accounting policies to ensure that only material accounting policy information is disclosed. The effective date of the amendment is for periods beginning on or after 1 January 2023.

There are no other 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.

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

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

#### **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.

##### **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.

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

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

#### **2.5 Financial instruments (continued)**

##### **(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.

#### **2.6 Cash and cash equivalents**

Cash and cash equivalents include cash in hand.

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

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

#### **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 10 management shares of no par value issued for £1.00 each, all of which are credited as fully paid up and 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 (2022: £1,200).

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

## **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**

#### **Investment Management fee**

IP Fund Managers Guernsey Limited is the Investment Manager of the Cell. 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 \$22,000 per annum, whichever is higher. The fees of the Administrator are payable by the Investment Manager out of the fees payable to the Investment Manager and are not charged separately.

#### **Cell Management fee**

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 -	1.0% per annum
Class C Shares -	0.0% per annum

#### **Performance fee**

The Cell Manager is entitled to a performance 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 -	20% of the amount by which the Net Asset Value of Share Class A outperforms the benchmark, up to a total annual fee of 2.30%.
Class C Shares -	20% of the amount by which the Net Asset Value of Share Class C outperforms the benchmark, up to a total annual fee of 1.30%.

In each instance, the Cell Manager's performance is measured over a rolling 24 month period. The performance fee is accrued and crystallised at each valuation point and paid out monthly in arrears. The Cell applies a high watermark so that any underperformance relative to the benchmark will be clawed back before the Cell can charge a further performance fee. The benchmark for the Cell is the MSCI All Country World Index (MSCI ACWI) net total return USD Index.

#### **Custodian fee**

The Cell engaged the services of Butterfield Bank (Guernsey) Limited to provide custodian services and is entitled to a fee for the services rendered to the Cell of 0.05% per annum 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**

Each Director of the Company is entitled to receive a single annual director's fee of up to \$10,000 per annum. This will be paid by the Cell pro rata to its Net Asset Value, or otherwise, out of the assets of the Cell, which calculation shall be at the sole discretion of the Directors.

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

### **3. Significant Agreements (continued)**

#### **Distribution Partner fee**

The Cell has appointed Flagship Asset Management (Pty) Limited as the 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 year.

#### **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 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 2023, 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 \$904,127 (2022: \$793,676). 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.

#### **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.

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

### **4. Financial risk management (continued)**

#### **4.3 Currency risk (continued)**

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 \$433,703 (2022: \$531,873) being the sum of receivables and the value of cash held with the custodian as at the year 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.

<b>2023</b>	<b>Less than 1 month USD</b>	<b>Between 1 and 12 months USD</b>	<b>Greater than 12 months USD</b>	<b>No fixed repayment USD</b>
Capital shares payable	15,000	-	-	-
Other payables	18,103	-	-	-
<b>Liabilities</b>	<b>33,103</b>	-	-	-
Net assets attributable to participating shareholders	-	-	-	9,441,854
<b>2022</b>	<b>Less than 1 month USD</b>	<b>Between 1 and 12 months USD</b>	<b>Greater than 12 months USD</b>	<b>No fixed repayment USD</b>
Trades not yet settled	21,529	-	-	-
Other payables	23,438	-	-	-
<b>Liabilities</b>	<b>44,967</b>	-	-	-
Net assets attributable to participating shareholders	-	-	-	8,423,654

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

### **4. Financial risk management (continued)**

#### **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 at fair value through profit and loss**

	<b>31 October 2023</b>	<b>31 October 2022</b>
	<b>USD</b>	<b>USD</b>
Opening market value at start of the year	7,936,760	13,582,409
Purchases at cost	11,314,456	7,661,035
Sale proceeds	(10,499,714)	(7,656,271)
Net realised losses	(1,836,124)	(1,916,815)
Net unrealised gains/(losses)	2,125,888	(3,733,598)
Closing market value at the end of the year	<b>9,041,266</b>	<b>7,936,760</b>

  

	<b>31 October 2023</b>	<b>31 October 2022</b>
	<b>USD</b>	<b>USD</b>
<b>Net gains/(losses) from financial assets at fair value through profit or loss</b>		
Net realised losses	(1,836,124)	(1,916,815)
Net unrealised gains/(losses)	2,125,888	(3,733,598)
Net gains/(losses) on financial assets held at fair value through profit and loss	<b>289,764</b>	<b>(5,650,413)</b>

#### **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 2023:

<b>31 October 2023</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>
Listed Equity	9,041,266	-	-	9,041,266

## Notes to Financial Statements (continued)

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

#### Fair value measurements recognised in the Statement of Financial Position (continued)

The following tables analyses within the fair value hierarchy the financial assets and liabilities measured at fair value as at 31 October 2022:

31 October 2022	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
Listed Equity	7,929,072	7,688	-	7,936,760

### 7. Share capital

The Cell has an unlimited authorised share capital of management shares and participating redeemable shares.

Management Shares in Issue	31 October 2023 USD	31 October 2022 USD
Management shares (10 shares of £1 each)	12	12

#### 31 October 2023

Participating Shares	Redeemable	Class A		Class C		Total	
		No of shares	USD	No of shares	USD	No of shares	USD
Balance at the beginning of the year		441,435	5,161,524	675,663	7,164,692	1,117,098	12,326,216
Issued during the year		319,265	2,548,907	-	-	319,265	2,548,907
Redeemed during the year		(81,829)	(662,995)	(137,112)	(1,138,431)	(218,941)	(1,801,426)
Balance at the end of the year		<b>678,871</b>	<b>7,047,436</b>	<b>538,551</b>	<b>6,026,261</b>	<b>1,217,422</b>	<b>13,073,697</b>

#### 31 October 2022

Participating Shares	Redeemable	Class A		Class C		Total	
		No of shares	USD	No of shares	USD	No of shares	USD
Balance at the beginning of the year		392,979	4,810,162	675,663	7,164,692	1,068,642	11,974,854
Issued during the year		118,101	1,003,813	1,139	10,000	119,240	1,013,813
Redeemed during the year		(69,645)	(652,451)	(1,139)	(10,000)	(70,784)	(662,451)
Balance at the end of the year		<b>441,435</b>	<b>5,161,524</b>	<b>675,663</b>	<b>7,164,692</b>	<b>1,117,098</b>	<b>12,326,216</b>

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

### 8. Net asset value per participating redeemable share

31 October 2023	NAV per share	Net assets attributable	Shares in issue
	USD	USD	
Class A	7.6277	5,178,238	678,871
Class C	7.9168	4,263,616	538,551
Total		<b>9,441,854</b>	<b>1,217,422</b>

## Notes to Financial Statements (continued)

### 8. Net asset value per participating redeemable share (continued)

31 October 2022	NAV per share	Net assets attributable	Shares in issue
	USD	USD	
Class A	7.4152	3,273,342	441,435
Class C	7.6226	5,150,312	675,663
Total		<b>8,423,654</b>	<b>1,117,098</b>

#### 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 of the Cell.

	31 October 2023	31 October 2022
	USD	USD
Traded Net Asset Value	9,465,536	8,469,952
Bid price adjustments	(32,055)	(37,925)
Accruals	8,373	(8,373)
Reported Net Asset Value	<b>9,441,854</b>	<b>8,423,654</b>

### 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 Sharrott 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 was also an investment Director of Ravenscroft Optimal Portfolio Management Limited, a Guernsey registered company which provides sub-investment management services to the Investment Manager. Refer to note 11 for further details.

Brett Paton is a Director and was the holder of 4.75% of the ordinary shares and ordinary share capital of the Manager until 5 December 2023. 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. Refer to note 11 for further details.

Graham Sleep is a Director of the Investment Manager and JTC Fund Solutions (Guernsey) Limited, the administrator and secretary to the Investment Manager, the ICC and the ICC's cells. Graham Sleep resigned as a Director of the Company with effect from 5 December 2023. Refer to note 11 for further details.

During the year the Directors earned fees of \$971 (2022: \$1,476) of which \$211 (2022: \$2,698) remained outstanding at year end.

#### Investment Management Fees

During the year the Investment Manager earned management fees of \$30,992 (2022: \$29,501) of which \$2,548 (2022: \$10,442) remained outstanding at year end.

**Notes to Financial Statements (continued)**

**9. Related party transactions (continued)**

**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 year the Cell Manager earned \$46,014 (2022: \$37,180) of which \$3,949 (2022: \$2,611) remained outstanding at year end.

**Performance fees**

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

**10. Ultimate controlling party**

The Ultimate controlling party was IP Fund Managers Guernsey Limited until 5 December 2023. Subsequent to this date, the new controlling party is Apex Consolidation Entity Limited.

**11. Subsequent events**

On 5 December 2023, a share purchase agreement was approved whereby Apex Consolidation Entity Limited would purchase the entire share capital of IP Fund Managers Guernsey Limited.

Graham Sleep resigned from the board of directors with effect from 5 December 2023 and Chris Hickling was appointed to the board of directors on the same day.

Following the share purchase transaction with Apex Consolidation Entity Limited, IP Fund Managers Guernsey Limited is now owned by the Apex Group and as a result, Apex Administration (Guernsey) Limited has been appointed as the Administrator, Registrar & Secretary, replacing JTC Fund Solutions (Guernsey) Limited with effect from 5 March 2024.

Simon Sharrott resigned as a Director of Ravenscroft Optimal Portfolio Management Limited with effect 9 April 2024.

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