

ANNUAL INVESTOR REPORT 2021

SEPTEMBER 2021

Itransact Fund Managers (RF) (Pty) Ltd



Managing Director's Report



I am pleased to share with you the highlights of Itransact Fund Managers collective investments for the financial year ended 30 September 2021.

It has been another interesting year for Itransact Fund Managers ("IFM") as we continued working from home due to covid concerns. We had to deal with the new Omicron variant, US inflation at 40-year highs, Chinese regulatory interventions and continued tensions with the US, the slowing down of the domestic economy and high unemployment levels lagging the economic recovery.

Although global equity markets saw returns of 18.5% for the year mainly due to the good performance of US equities of close to 29%, emerging market equities underperformed with negative returns of -2.5%. This underperformance was largely due to investor sentiment towards China's regulatory interventions.

Locally South Africa's government bonds did well and with 8.4% return, were the top performing sovereign debt market. Local equities ended the year well returning just over 27%.

2021 was a good year for the markets with many record highs being reached, but we are expecting lower returns for 2022 as economies slow down with central banks continued raising of interest rates and tightening of monetary conditions in response to the higher inflation levels.

With the increasing numbers of vaccinations and the less severe Omicron variant, we are hoping that covid will be downgraded from a pandemic to an endemic similar to seasonal flu and that the world and all its supply chains can get back to some semblance of normality.

The overall assets of IFM continue to grow and at financial year end were over R4.7 billion across the six funds, compared to R3.3 billion the previous year end. We are expecting this growth to continue due to institutional commitments that are in process of transitioning into the funds.

We are pleased to report that the performance of the two retail focused funds significantly outperformed their respective benchmarks in the last 6 months of the financial year and are well positioned for the coming year.

From all at IFM we wish you a safe and healthy 2022.

Yours sincerely

CM Gill
Managing Director

Trustee's Report



9 December 2021

The Directors
Itransact Fund Managers (Pty) Ltd
15 Philips Street
Ferndale
Randburg
2194

Dear Sirs

TRUSTEE REPORT ON THE IFM UNIT TRUST SCHEME

As Trustees to the IFM Unit Trust Scheme ("the Scheme"), we are required in terms of the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002) ("the Act") to report to participatory interest holders on the administration of the Scheme during each annual accounting period.

We advise for the period 1 October 2020 to 30 September 2021 we reasonably believe that the Manager has administered the Scheme in accordance with:

- (i) the limitations imposed on the investment and borrowing powers of the manager by the Act; and
- (ii) the provisions of the Act and the relevant deeds.

We confirm that according to the records available to us there were no material instances of compliance contraventions and therefore no consequent losses incurred by the Portfolio in the year.

Yours faithfully


Nelia de Beer
Head Trustee Services
Rand Merchant Bank
A division of FirstRand Bank Limited


Marian Rutters
Manager Trustee Services
Rand Merchant Bank
A division of FirstRand Bank Limited

MARKETS: GSS TRUSTEE SERVICES

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RMB a division of FirstRand Bank Limited, is an Authorised Financial Services and Credit Provider NCRCP20, Reg. No. 1929/001225/06.

Summarised Information for the year ending 30 September 2021

	IFM Balanced Value Fund of Funds	IFM Bond Fund	IFM Equity Fund
Condensed Statement of Comprehensive Income	(R'000)	(R'000)	(R'000)
OPERATING INCOME	1 209	29 549	569 247
Deemed income and rebates	39	660	(446)
Net gains/(loss) on disposal of assets	1 170	28 889	569 693
OPERATING EXPENSES	(670)	(3 373)	(10 039)
Administration and management fees	569	3 239	9 613
Audit fee	64	51	105
Bank charges	3	5	41
Trustee fees	34	78	280
OPERATING GAINS/(LOSSES)	539	26 176	559 208
Investment Income	476	75 670	76 740
PROFIT/(LOSS) FOR THE YEAR	1 015	101 846	635 948
Condensed Statement of Financial Position	(R'000)	(R'000)	(R'000)
ASSETS			
Portfolio investments	37 231	850 883	2 172 282
Current assets	493	9 136	122 615
TOTAL ASSETS	37 724	860 019	2 294 898
CAPITAL AND LIABILITIES			
Capital value of unit portfolio	37 486	781 127	2 078 098
Current liabilities	119	39 446	108 400
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	37 605	820 573	2 186 498
Portfolio Composition	(%)	(%)	(%)
Basic materials	-	-	17
Bonds/ Debt	-	100	-
Consumer goods & services	-	-	22
Financials	-	-	22
Health care	-	-	4
Oil & gas	-	-	-
Property	-	-	-
Technology and telecommunications	-	-	8
Collective Investment Schemes	99	-	16
Other	-	-	10
Cash	1	-	1
TOTAL	100,00	100,00	100,00
Investment Performance	(%)	(%)	(%)
One year up to 30/09/2021	6,50	13,00	36,90
Benchmark: one year up to 30/09/2021	13,70	12,50	30,30
Fees	(%)	(%)	(%)
Maximum initial fee	0,00	0,00	0,00
Service fee (including VAT)	1,44	0,86	0,86
Other	1,40	0,03	0,04
Total Expense Ratio (TER)	2,84	0,89	0,90

Summarised Information for the year ending 30 September 2021

	IFM Global Diversified Fund	IFM Income Fund	IFM Technical Fund
Condensed Statement of Comprehensive Income	(R'000)	(R'000)	(R'000)
OPERATING INCOME	120 851	6 790	2 207
Deemed income and rebates	(1 045)	(4)	62
Net gains/(loss) on disposal of assets	121 896	6 794	2 145
OPERATING EXPENSES	(6 045)	(994)	(775)
Administration and management fees	4 044	801	660
Audit fee	76	38	36
Bank charges	26	57	3
Commission and other charges	1 532	-	-
Trustee fees	367	98	76
OPERATING GAINS/(LOSSES)	114 806	5 796	1 432
Investment income	878	14 682	895
PROFIT/(LOSS) FOR THE YEAR	115 684	20 478	2 327
Condensed Statement of Financial Position	(R'000)	(R'000)	(R'000)
ASSETS			
Portfolio investments	1 268 303	221 978	34 431
Current assets	78 934	12 064	3 714
TOTAL ASSETS	1 347 237	234 042	38 145
CAPITAL AND LIABILITIES			
Capital value of unit portfolio	1 345 158	226 906	37 692
Current liabilities	1 039	3 568	226
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	1 346 197	230 474	37 918
Portfolio Composition	(%)	(%)	(%)
Basic materials	-	-	12
Bonds/ Debt	-	91	11
Consumer goods & services	7	1	25
Financials	4	-	-
Health care	3	-	3
Utilities	1	-	-
Property	-	3	-
Telecommunications	2	-	3
Collective Investment Schemes	75	-	38
Other	2	-	-
Cash	6	5	8
TOTAL	100,00	100,00	100,00
Investment Performance	(%)	(%)	(%)
One year up to 30/09/2021	8,40	7,20	8,54
Benchmark: one year up to 30/09/2021	6,20	3,80	18,46
Fees	(%)	(%)	(%)
Maximum initial fee	0,00	0,00	0,00
Service fee (including VAT)	0,86	0,86	1,44
Other	0,07	0,04	0,32
Total Expense Ratio (TER)	0,93	0,90	1,76

Summarised Information for the year ending 30 September 2021

	December 2020	March 2021	June 2021	September 2021	Total
Distribution Per Unit (cents per unit)	c	c	c	c	c
IFM Balanced Value Fund of Funds	-	-	-	-	-
IFM Bond Fund Class E	-	376,95	-	445,37	822,32
IFM Bond Fund Class Z	-	421,94	-	486,77	908,71
IFM Equity Fund Class E	-	110,16	-	216,30	326,46
IFM Equity Fund Class Z	-	127,62	-	240,02	367,64
IFM Global Diversified Fund Class E	-	-	-	-	-
IFM Global Diversified Fund Class Z	-	-	-	-	-
IFM Income Fund Class E	111,86	100,52	146,07	141,29	499,74
IFM Income Fund Class Z	120,40	112,38	157,49	153,96	544,23
IFM Technical Fund	-	-	-	1,51	1,51

Company Information

Itransact Fund Managers (RF) (Pty) Ltd



Board of Directors

Johan Zwarts (Chairman)*, Mark Gill (Managing Director), Mark Baisley, Chris Meyer**, Thandeka Gqubule-Mbeki*

**Independent non-executive director*

***Non-executive director*

Registration Number

1999/012170/07

Bankers

First National Bank Limited

Auditor

BDO South Africa Incorporated

Trustee

First Rand Bank Limited acting through its RMB Trustee Services Division

Client Service

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Website

www.itransactfm.co.za

Copies of the audited annual financial statements of the manager and of the scheme managed by it, are available, free of charge, on request by an investor.