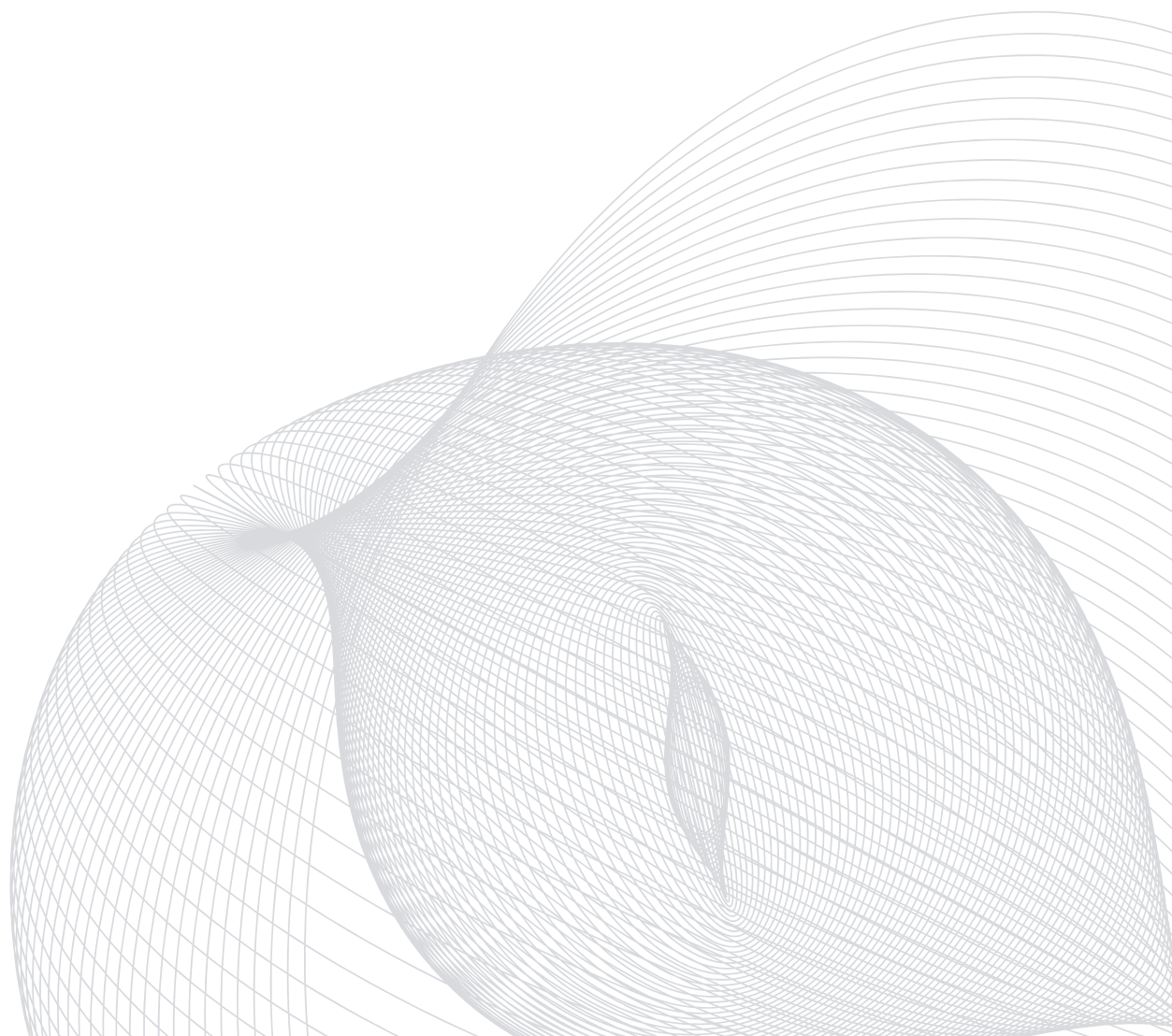




FOORD INTERNATIONAL TRUST

Annual report and financial statements
For the year ended 31 December 2022



FOORD INTERNATIONAL TRUST

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FOORD INTERNATIONAL TRUST

Corporate Directory

Principal / Investment Manager

Foord Asset Management (Guernsey) Limited

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

Directors of the Principal Manager

Agnes Cai
Paul Cluer
Prakash Desai
Brett Foord
David Foord
James Tracey

Trustee

Royal Bank of Canada (Channel Islands) Limited – Guernsey Branch

PO Box 48
Dorey Court
Admiral Park
St Peter Port
Guernsey, GY1 3BQ

Designated Administrator and registrar

RBC Offshore Fund Managers Limited

PO Box 246
Dorey Court
Admiral Park
St Peter Port
Guernsey, GY1 3QE

Independent Auditor

Deloitte LLP

PO Box 137
Regency Court
Glategny Esplanade
St Peter Port
Guernsey, GY1 3HW

Legal Adviser

Mourant Ozannes

Royal Chambers
St Julian's Avenue
St Peter Port
Guernsey, GY1 4HP

FOORD INTERNATIONAL TRUST

Report of the Investment Manager for the year ended 31 December 2022

OBJECTIVE

The Fund aims to achieve meaningful inflation-beating US dollar returns over rolling five-year periods by investing exclusively in Foord International Fund, a sub-fund of Foord SICAV (the “Master Fund”), which is also managed by the Investment Manager. The Master Fund, a Luxembourg UCITS, is a conservatively managed portfolio of global equities, warrants, exchange traded funds, UCITS and other UCIs, interest bearing securities, commodities-linked securities and cash instruments reflecting the Investment Manager’s prevailing best investment view.

MARKET REVIEW

Calendar year 2022 started with a tone of cautious optimism. But global inflation was rising quickly as pent-up savings and pandemic stimulus cheques chased too few goods and services amid stretched global supply chains. Russia’s invasion of Ukraine in late February fuelled inflationary pressures, further disrupting global supply chains and pushing oil prices to more than \$110 a barrel in March 2022.

The US Federal Reserve finally abandoned the view that global inflation would be transitory. This kicked off the fastest paced, most aggressive US rate tightening cycle in four decades. Most other central banks rapidly followed suit in an increasingly tricky balancing act of fighting inflation amid prospects of slowing growth.

The US dollar strengthened against most currencies, buoyed by the Fed’s aggressiveness and its safe-haven status. Chinese economic activity slowed, exacerbated by frustratingly rigid lockdowns for the better part of 2022. Recession risks for 2023 were on the rise and most commodities sold off.

The rapid rise in rates weighed heavily on developed world stock and bond markets. Both sustained severe double-digit losses. With no diversification benefits between these asset classes, it was the worst year for the traditional 60:40 stock and bond portfolios in 150 years.

Against this backdrop, global equities declined 18%, with emerging markets falling more, dragged lower by Chinese equities on persistent lockdowns and regulatory own goals, culminating in a low for the Shanghai bourse after the 20th National Congress of the Chinese Communist Party in October. On a positive note, shares in Brazil rallied on the back of a forward-looking central bank and positive election outcomes.

The energy sector was by far the best-performing sector as an early war-related surge in oil and natural gas drove energy stocks sharply higher. Defensive sectors, utilities and consumer staples were resilient as investors rotated towards less economically sensitive corners of the market amid rising recession risks. Long-duration assets including technology and high-growth stocks fared worst.

On the fixed income front, global bonds unusually fell in tandem with global equities as aggressive central bank rate hikes combined with decades-high inflation pressured the asset class. Long-duration bonds understandably fell most. But by year-end, the US yield curve was the most inverted it had been in 40 years — a harbinger of expected recession.

Commodities were helped by an early-year surge in oil and natural gas prices in response to increased geopolitical risks and reduced Russian supply. Gold was flat for the year, pressured by the opportunity cost of rising interest rates. But industrial commodities, including copper, were lower on expectations of slowing growth and probable recession in 2023.

Despite weakness against major currencies in the fourth quarter as the US approached peak interest rate expectations, the US dollar gained against most major currencies for the year. A rising interest rate differential, its positive carry and safe-haven appeal could result in persistent US dollar strength into 2023.

FOORD INTERNATIONAL TRUST

Report of the Investment Manager for the year ended 31 December 2022

Performance to 31 December 2022 (In USD, net of fees and expenses)

(Periods greater than one year are annualised and rounded to one decimal place)

	1-year	3-year	5-year	10-year	20- year	25-year	Since inception
	%	%	%	%	%	%	%
Class B	2.0	4.1	3.6	4.7	6.6	6.1	6.3
US Inflation	7.0	5.0	3.8	2.6	2.5	2.5	2.5
MSCI World Equities	-18.1	4.9	6.1	8.9	8.2	6.0	6.3
Peer Group	-13.3	-0.1	0.8	1.9	3.2	3.6	3.5

(US Inflation : US headline consumer prices index (lagged by a month). Source: Bloomberg L.P.)

(Peer Group : USD Flexible Allocation Morningstar category. Source: Morningstar)

The Fund held true to its conservative mandate, protecting capital amid the market rout. For the year, the Fund returned 2.0% (net of fees and costs) against a global developed market equity and bond market decline of ~18%. The Master Fund's short S&P500 futures hedges helped to buoy returns in the falling market. The gold commodities position was also a relative outperformer.

Within equities, the Master Fund's top investment in American chemical manufacturer FMC Corp (+16%) contributed meaningfully on underlying strength in the global crop protection markets due to high commodity prices. Additionally, Total Energies (a French multinational integrated energy and petroleum company) and Hong Kong listed securities, including market leading insurer AIA and property developer Wharf Holdings, contributed strongly. Detracting from performance were positions in Communication Services stocks such as Vodafone and Alphabet. Consumer Staple names such as Nestle also hampered performance.

The managers kept credit exposure to a minimum during the year, which helped absolute returns. The Master Fund's holdings now include US dollar-denominated sovereign and corporate short-duration credits.

INVESTMENT THESIS

Foord is a fundamental earnings house that takes long-term views and patiently waits for prices to follow earnings. We do not trade on market sentiment and are confidently different from peers.

We have always viewed our role as stewards of capital as primarily one of risk management —focused on delivering inflation beating, real returns through an investment cycle without taking on undue risk. We construct portfolios that are designed to withstand not only structurally higher inflation, rising interest rates and lofty asset class valuations but also other risk factors such as slower growth, recession, and lower interest rates. We do not build portfolios hinged on binary outcomes but rather construct all-weather portfolios intended to first protect against any permanent loss in capital and second to survive and thrive over the long term in any number of economic and geopolitical scenarios.

The managers expect to generate returns from asset allocation and security selection. Asset allocation involves long-term structural allocations and shorter-term tactical allocations. Long-term structural asset allocations are set by forecasting key economic variables and assessing the long-term attractiveness of each asset class relative to others. Tactical allocations use the same set of variables, but the managers place greater emphasis on prevailing valuations.

Managing the risk of loss is therefore our priority. Our commitment to investment stewardship and risk management underpins all that we do. While the future direction of markets is murky, our focus on finding long-term value serves as the guiding light in our quest for outperformance.

FOORD INTERNATIONAL TRUST

Report of the Investment Manager for the year ended 31 December 2022

The Fund celebrated its 25th anniversary in March. We thank you for your ongoing trust and support. We look forward to investing our investors' capital with the same level of stewardship and success over the few decades and beyond.

FOORD ASSET MANAGEMENT (GUERNSEY) LIMITED
7 February 2023

FOORD INTERNATIONAL TRUST

Performance Record for the year ended 31 December 2022

The table below summarises the financial highlights per unit in issue:

Change in net asset per unit (US\$)

	2022	2021
Opening net asset value per unit	47.39	45.94
Return before fund expenses per unit ¹	0.94	1.46
Fund expenses per unit ²	(0.01)	(0.01)
Return on net asset value per unit ³	0.93	1.45
Closing net asset value per unit	48.32	47.39

Performance

Return after charges ⁴	1.97%	3.18%
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Other information

Closing net asset value (US\$)	397,322,020	424,506,567
Closing number of units - Class B	7,852,075.62	8,559,563.23
Closing number of units – Class C1	370,005.18	398,367.91
TER percentage ⁵ - Class B	0.99%	1.01%
TER percentage – Class C1	1.34%	1.36%

Prices

Highest unit price – Class B	50.79	50.47
Lowest unit price – Class B	44.07	45.53
Highest unit price – Class C1	50.03	49.87
Lowest unit price – Class C1	43.33	45.02

Notes:

1. Return before fund expenses per unit:
Calculated as the “Return after fund expenses per unit” plus “fund expenses per unit”.
2. Fund expenses per unit:
The Fund expenses per unit shows the relevant operating expenses of the Fund expressed by reference to the average number of units in issue during the year. This calculation is synonymous with the ongoing charges per unit as prescribed by the Investment Association Statement of Recommended Practice (IA SORP).
3. Return on net asset value per unit:
Calculated as the “closing net asset value per unit,” minus “Fund expenses per unit,” minus the “opening net asset value per unit”.
4. Return after charges:
Calculated as the “return on net asset value per unit” divided by the “opening net asset value per unit”.
5. Total expense ratio (TER) percentage:
The TER shows the relevant operating expenses from the most recent reporting period as a single percentage of the average net asset value over the same period and is indicative of ongoing costs. This ratio includes the equivalent TER ratio of the Master Fund. It is synonymous with the ongoing charges percentage as prescribed by the IA SORP.

FOORD INTERNATIONAL TRUST**Portfolio Statement as at 31 December 2022**

	Nominal Holding	Value US\$	% of Net Assets Value
Collective Investment Scheme			
Foord International Fund – Class B Shares	7,921,775.00	396,557,755	99.81
Cash – US dollars		811,989	0.20
Net current liabilities		(47,724)	(0.01)
Net asset value		397,322,020	100.00

FOORD INTERNATIONAL TRUST

Summary of Material Portfolio Changes for the year ended 31 December 2022

	Cost US\$
Purchases	
Foord International Fund – Class B Shares	3,508,499
Total purchases for the year	3,508,499
Sales	
Foord International Fund – Class B Shares	38,780,112
Total sales for the year	38,780,112

FOORD INTERNATIONAL TRUST

Principal Manager's Report for the year ended 31 December 2022

Statement of Principal Manager's and Trustee's Responsibilities

It is the Principal Manager's responsibility to prepare annual financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Authorised Collective Investment Schemes (Class B) Rules and Guidance 2021, which give a true and fair view of the financial position of the Trust as at the end of the accounting year and its income and expenditure for the year.

In preparing these financial statements, the Principal Manager confirms that it has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed Applicable Accounting Standards, subject to disclosure and explanation in the annual financial statements of any material departures; and
- prepare the financial statements on the going concern basis, unless it's inappropriate to presume that the Trust will continue in business.

Going concern

These annual financial statements are prepared on a going concern basis as the Trust has adequate liquid resources to continue in operational existence including meeting redemption obligations for at least twelve months from the date of this report. Should there be a significant redemption request, redemption gate can be imposed to exit investment positions in an orderly manner.

The Principal Manager keeps proper accounting records and manages the Trust in accordance with the Authorised Collective Investment Schemes (Class B) Rules and Guidance, 2021 and the Principal Documents. The Trustee is responsible for safeguarding the assets of the Trust and must take reasonable care to ensure that the Trust is managed by the Principal Manager in compliance with the provisions of the principal documents and the Authorised Collective Investment Schemes (Class B) Rules and Guidance, 2021. The Trustee and Principal Manager, are jointly responsible for the prevention and detection of fraud and other irregularities.

Disclosure of information to the auditors

Having taken all required steps of inquiry, the Principal Manager is not aware that any relevant audit information was withheld from the Trust's auditors.

DocuSigned by:



CSC175A89633403..

Foord Asset Management (Guernsey) Limited
26 April 2023

FOORD INTERNATIONAL TRUST

Trustee's Report for the year ended 31 December 2022

In our capacity as Trustees, we confirm that the Principal Manager of the Trust, Foord Asset Management (Guernsey) Limited, has managed the Trust for the year ended 31 December 2022 in accordance with the provision of the Principal Documents and the Authorised Collective Investment Schemes (Class B) Rules and Guidance, 2021.



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by Andy Creber
Date: 2023.04.27
16:44:45 +01'00'

Royal Bank of Canada (Channel Islands) Limited – Guernsey Branch
26 April 2023



Digitally signed
by Jackie Turner
Date: 2023.04.27
16:23:05 +01'00'

FOORD INTERNATIONAL TRUST

Independent Auditor's report to the unitholders of Foord International Trust

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Foord International Trust (the 'Trust'):

- give a true and fair view of the state of the Trust's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Trust Deed dated 5 March 1997; and the Protection of Investors (Bailiwick of Guernsey) Law, 2020.

We have audited the financial statements which comprise:

- the Statement of Total Return;
- the Statement of Changes in Unitholders' Net Assets;
- the Balance Sheet; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 Principal Manager's 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 Trust'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 Principal Manager with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Principal Manager is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

FOORD INTERNATIONAL TRUST

Independent Auditor's report to the unitholders of Foord International Trust

We have nothing to report in respect of these matters.

Responsibilities of Principal Manager and Trustee

As explained more fully in the Principal Manager's and Trustee's responsibilities statement, the Principal Manager is 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 Principal Manager and the Trustee 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 Principal Manager is responsible for assessing the Trust'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 Principal Manager either intend to liquidate the Trust 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.

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

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

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

We considered the nature of the Trust's industry and its control environment, and reviewed the Trust's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the Trust operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Companies (Guernsey) Law, 2008 and the Authorised Collective Investment Schemes (Class B) Rules and Guidance, 2021 and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Trust's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address it are described below:

The valuation of investments is the main driver of the Trust's performance and it is valued using the net asset value ("NAV") of the Class B shares in Foord International Fund a sub fund of Luxembourg Foord SICAV, therefore, there is a potential for management bias to manipulate the underlying NAV, which is a published price not a price listed on a recognised stock exchange. In addressing the risk of fraud related to investments valuation, we have recalculated the investments fair value based on the published price/NAV as of reporting date; and verified the NAV through challenging the valuation of the underlying investments and material balances.

FOORD INTERNATIONAL TRUST

Independent Auditor's report to the unitholders of Foord International Trust

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with the Guernsey Financial Services Commission.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

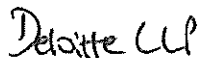
Under the terms of our engagement, we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept,
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Trust's unitholders, as a body. Our audit work has been undertaken so that we might state to the Trust's unitholders 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 Trust and the Trust's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.



Deloitte LLP
St Peter Port, Guernsey
28 April 2023

FOORD INTERNATIONAL TRUST

Statement of Total Return for the year ended 31 December 2022

	Notes	2022 US\$	2021 US\$
Interest income		8,795	-
Expenses	5	(122,814)	(143,042)
Net loss before taxation for the year		(114,019)	(143,042)
Taxation	7	-	-
Net loss after taxation for the year		(114,019)	(143,042)
Net capital gains on investments	4	8,193,590	14,623,122
Change in net assets attributable to unitholders		8,079,571	14,480,080
Earnings per unit – Class B	11	0.96	1.56
Earnings per unit – Class C1	11	0.95	1.56

Statement of Changes in Unitholders' Net Assets for the year ended 31 December 2022

	2022 US\$	2021 US\$
Net assets attributable to unitholders at the beginning of the year	424,506,567	455,662,764
Movement due to sales and repurchases of units:		
Amounts received on creation of units	3,508,498	4,449,733
Less: Amounts paid on cancellation of units	(38,772,616)	(50,086,010)
	(35,264,118)	(45,636,277)
Change in net assets attributable to unitholders	8,079,571	14,480,080
Net assets attributable to unitholders at the end of the year	397,322,020	424,506,567

The accompanying notes on pages 15 to 20 form part of these financial statements.

FOORD INTERNATIONAL TRUST**Balance Sheet as at 31 December 2022**

	Notes	2022 US\$	2021 US\$
Assets			
Bank deposits		811,989	914,964
Other debtors		2,209	8,217
Total current assets		814,198	923,181
Investments	3	396,557,755	423,635,779
Total assets		397,371,953	424,558,960
Liabilities			
Payables	8	49,933	52,393
Total liabilities		49,933	52,393
Net current assets		764,265	870,788
Net assets attributable to unitholders		397,322,020	424,506,567
Number of units in issue – Class B	10	7,852,075.62	8,559,563.23
Net Asset Value per unit – Class B	12	48.36	47.42
Number of units in issue – Class C1	10	370,005.18	398,367.91
Net Asset Value per unit – Class C1	12	47.52	46.75

The accompanying notes on pages 15 to 20 form part of these financial statements.

The financial statements on pages 13 to 20 were approved by the Board of Directors of Foord Asset Management (Guernsey) Limited on 26 April 2023 and were signed on its behalf by:

DocuSigned by:
C5C175A09633403

Foord Asset Management (Guernsey) Limited

FOORD INTERNATIONAL TRUST

Notes to the Financial statements for the year ended 31 December 2022

1. The Trust

Foord International Trust (the “Trust”) is an open-ended unit trust established under the laws of Guernsey by a Deed of Trust dated 5 March 1997, last amended 30 October 2015 (the “Trust Deed”). The Trust is authorised as a Class B Collective Investment Scheme under the Authorised Collective Investment Schemes (Class B) Rules and Guidance, 2021 and regulated by the Guernsey Financial Services Commission. The Trust is an umbrella fund and comprises of one Class Fund (“Foord International Trust”) which has two unit classes.

The Trust is a feeder fund of Foord International Fund-Class B (the “Master Fund”), a sub fund of Foord SICAV, an open-ended variable capital investment company with multiple sub funds, incorporated in Luxembourg, and authorised as a UCITS and regulated by the Commission du Surveillance du Secteur Financier, the Luxembourg supervisory authority.

2. Summary of the accounting policies

The following accounting policies have been applied consistently throughout the year and the preceding years.

a) Basis of accounting

These financial statements have been prepared under the historical cost convention, modified to include certain items of fair value in accordance with Financial Reporting Standard 102 (“FRS 102”) issued by the Financial Reporting Council, the Standards applicable in the United Kingdom and the Republic of Ireland and in accordance with the Statement of Recommended Practice “Financial Statements of UK Authorised Funds”, issued by the Investment Association, (the “IA SORP”) in May, 2014 and revised in June 2017, where applicable for a Guernsey Unit Trust. Although the Trust only invests in the Master Fund the accounts were not consolidated as the Trust is not the majority shareholder and does not have control over the activities of the Master Fund.

b) Foreign exchange

The functional and presentation currency of the Trust is the US dollar (US\$).

Transactions undertaken in a currency other than the reporting currency are translated at the rate ruling at the transaction date. Monetary foreign currency assets and liabilities other than those denominated in the functional currency of the Trust have been translated at the rate ruling at the end of the year. Differences arising are dealt with in the Statement of Total Return.

c) Financial instruments

Investments in long positions

In accordance with Section 12 of FRS 102 ‘other financial instruments’ the Trust has chosen to apply the recognition and measurement provisions of IAS 39 Financial Instruments: Recognition and Measurement (as adopted in the European Union) and the disclosure and presentation requirements of FRS 102 sections 11 and 12.

(i) Recognition / derecognition

Investments in the Master Fund are designated as at fair value through profit and loss. Investments are recognised at fair value on the trade date at which the Trust commits to purchase additional shares. Investments are derecognised when the Trust redeems the shares and proceeds are set against the weighted average cost of the investment, with the resulting gain or loss recognised in the Statement of Total Return.

FOORD INTERNATIONAL TRUST

Notes to the Financial statements for the year ended 31 December 2022 (continued)

2. Summary of the accounting policies (continued)

(ii) Measurement

After initial recognition, investments in the Master Fund are measured at fair value in accordance with IAS 39 of International Financial Reporting Standards as the performance is evaluated on a fair value basis. The year-end valuation is done on the last business day in December. Gains and losses arising from changes in the fair value of investments are recognised in the Statement of Total Return in the year in which they arise.

Other financial instruments

Cash consists of bank deposits.

d) Income

Interest income is recognised on a time-proportionate basis using the effective interest method. It includes interest income from cash.

e) Expenditure

All expenses including management fee are accounted for on an accruals basis.

f) Cash flow statement

The Trust is exempt from the requirement to produce a cash flow statement in the Annual financial statements in accordance with Section 7 'Statement of Cash Flows' of FRS 102, as the investments are highly liquid, carried at fair value and a Statement of Changes in Unitholders' Net Assets is presented.

g) Unitholders' funds

In accordance with Section 22 'Liabilities and Equity' of FRS 102, Fund units are classified as equity as they meet all criteria of IA SORP paragraph 2.80. Distributions on these units, if any, are recognised in the Statement of Changes in Unitholders' Net Assets.

h) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, the directors of the Principal Manager are required to exercise judgement that can have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The critical judgement relates to the classification of investment as Level 1 in the fair value hierarchy. The principal manager believes there to be sufficient liquidity available in the Foord International Fund (Class B) to be able to redeem its holdings in accordance with the requirements the Master Fund's prospectus and, as a result, no discount for illiquidity is applied in the determination of Fair Value. The fair value of the investment is therefore based on the Net Asset Value (NAV) per share of the Master Fund.

The Trust does not have any key sources of estimation uncertainty.

i) Going concern

These annual financial statements are prepared on a going concern basis as the Trust has adequate liquid resources to continue in operational existence including meeting redemption obligations for at least twelve months from the date of this report. Should there be a significant redemption request, redemption gate can be imposed to exit investment positions an orderly manner.

FOORD INTERNATIONAL TRUST

Notes to the Financial statements for the year ended 31 December 2022 (continued)

3. Investments	2022	2021
	US\$	US\$
Opening value	362,692,380	400,942,533
Purchases	3,508,499	4,469,901
Sales	(38,780,113)	(50,057,866)
Realised gains on investments	5,950,219	7,337,812
Closing cost	333,370,985	362,692,380
Unrealised gains	63,186,770	60,943,399
Investment value at year end	396,557,755	423,635,779
4. Net capital gains		
Realised gain on investments	5,950,219	7,337,812
Movement in unrealised gains on investments	2,243,371	7,285,310
Net capital gains	8,193,590	14,623,122
5. Expenses		
Trustee fee	40,229	44,695
Audit fee	13,474	19,354
Management fee – Class C1	62,517	68,907
Interest expense	621	2,992
Miscellaneous expenses	5,973	7,094
Total expenses	122,814	143,042

6. Related party transactions

Royal Bank of Canada (Channel Islands) Limited – Guernsey Branch (the Trustee) and the Principal Manager are considered as related parties under the IA SORP.

The Trustee receives a fee of not more than 0.02% per annum of the net asset value, subject to a minimum of US\$20,000 per annum.

The Principal Manager receives a fee of 0.35% per annum of the net asset value of Class C1 units.

The fees are calculated on each valuation date and payable monthly in arrears. The total fees paid to both parties during the year and the outstanding amounts due to them at 31 December are disclosed in Note 5 and Note 8 respectively.

7. Taxation

The Trust is exempt from Guernsey taxation under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989. From 1 January 2015 a fixed annual fee of £1,200 is payable to the States of Guernsey in respect of this exemption and this amount is included within the miscellaneous expenses in note 5.

8. Payables	2022	2021
	US\$	US\$
Audit fee	16,074	15,214
Management fee – Class C1	9,942	5,460
Trustee fee	3,271	3,555
Sundry creditors	-	22
Amounts payable for cancellation of units	20,646	28,142
Total	49,933	52,393

FOORD INTERNATIONAL TRUST

Notes to the Financial statements for the year ended 31 December 2022 (continued)

9. Financial instruments

The primary objective of the Master Fund is to achieve meaningful inflation-beating US dollar returns over rolling five-year periods through a conservatively managed portfolio that can include global equities, warrants, exchange traded funds, UCITS and other UCIs, interest-bearing securities and cash instruments reflecting the Manager's prevailing best investment view.

Accordingly, the Trust experiences the same risk profile and is subject to the same risk management policies as the Master Fund, which is managed by the Principal Manager as disclosed in Section 4 of the Master Fund's Prospectus.

Credit risk

Credit risk is the risk that counterparty to a financial instrument will fail to discharge an obligation or commitment that it had concluded with the Trust. The Trust's credit risk is concentrated in its holding in the Master Fund. The cash funds are held on account with RBC, which is a reputable financial institution with a Aa1 Moody's credit rating, which has not changed during the year.

There are no receivable amounts that are past due or impaired.

Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Trust has no exposure to currencies other than its reporting currency.

Interest rate risk profile

The interest rate risk exposure in the Master Fund is managed by the Principal Manager.
The interest rate profile of the Trust as at 31 December 2022 was as follows:

	2022 US\$	2021 US\$
Financial assets		
Non-interest bearing	396,559,964	423,643,996
Financial liabilities		
Non-interest bearing	49,933	52,393

Market price risk

Market price risk arises mainly from the uncertainty about future prices of its investments, resulting in a potential investment loss.

The Trust is exposed to price risk as consequence of changes in the net asset value per share of its investment in the Master Fund.

The Trust classifies its fair value measurements using a three-level fair value hierarchy that reflects the significance of the inputs used in making measurements.

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – A recent transaction price if no significant change in economic circumstances; or
- Level 3 – A valuation technique to estimate an arm's length transaction price.

The Trust's investment in the Master Fund is classified as Level 1.

FOORD INTERNATIONAL TRUST

Notes to the Financial statements for the year ended 31 December 2022 (continued)

9. Financial instruments (continued)

Liquidity risk

Liquidity risk is the inability to settle its liabilities as they fall due because of differences in maturity dates between the Company's financial assets and liabilities.

The Trust's exposure to liquidity risk is minimal as the Fund's financial assets can be readily converted to cash equivalents.

Capital management

The capital structure of the Trust consists of the net assets attributable to unitholders of the Trust.

The Principal Manager monitors the risks associated with the investment capital, including managing of the liquidity of the Trust to meet the redemption requests of the unitholders. The Trust is not subject to any external capital requirements.

10. Number of units in issue

Accumulating units – Class B	2022	2021
At the beginning of the year	8,559,563.23	9,478,172.25
Units created	71,987.50	90,881.19
Units cancelled	(779,475.11)	(1,009,490.21)
At the end of the year	7,852,075.62	8,559,563.23

Accumulating units – Class C1	2022	2021
At the beginning of the year	398,367.91	440,409.99
Units created	1,695.63	1,659.36
Units cancelled	(30,058.37)	(43,701.44)
At the end of the year	370,005.17	398,367.91

11. Earnings per unit

The earnings per unit is based on the net increase in amounts due to the unitholders from investment activities for each class and on the weighted average number of units in issue for the year.

	2022	2021
Class B		
Net growth from investment activities	7,722,047	13,838,347
Weighted average number of units	8,043,372	8,863,327
Earnings per unit	0.96	1.56

Class C1		
Net growth from investment activities	357,524	641,733
Weighted average number of units	376,576	412,601
Earnings per unit	0.95	1.56

12. Net asset value per unit

The net asset value for each class is arrived at by dividing the amounts due to the unitholders of that class as at the balance sheet date, by the number of Units issued at the balance sheet date.

FOORD INTERNATIONAL TRUST

Notes to the Financial statements for the year ended 31 December 2022 (continued)

13. Post Balance Sheet Events

There were no other material post balance sheet events up to the date of approval of these financial statements.

