

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ANNUAL REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**ENWEALTH CAPITAL UNIT TRUST SCHEME
UNIT TRUST SCHEME INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2024**

TRUSTEE	Co-operative Bank of Kenya Ltd KUSCO Center, Ground Floor Kilimanjaro Road P.O.Box 48231-00100 Nairobi, Kenya
FUND SPONSOR/ADMINISTRATOR	Enwealth Capital Limited Morningside Office Park 1st Floor suite D2, Ngong Road P.O. Box 52840 - 00200 Nairobi, Kenya
FUND MANAGER/ CO-SPONSOR	Old Mutual Investment Group Ltd 4th Floor, Old Mutual Tower Upper Hill Road, Nairobi P.O. Box 11589-00400 Nairobi, Kenya
CUSTODIAN	SBM Bank (Kenya) Ltd Riverside Mews Riverside Drive, Nairobi P.O. Box 34886 - 00100 Nairobi, Kenya
INDEPENDENT AUDITOR	Ndakala Advisory LLP Certified Public Accountants (K) 246A, Owashika Road, Lavington P.O. Box 6512 - 00200 Nairobi, Kenya

ENWEALTH CAPITAL UNIT TRUST SCHEME CORPORATE TRUSTEE'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The Corporate Trustee has the pleasure of submitting Enwealth Capital Unit Trust Scheme annual report together with the audited accounts for the year ended 31 December 2024, which discloses the state of affairs of the Funds.

ESTABLISHMENT, NATURE AND STATUS OF THE TRUST FUND

The Enwealth Capital Unit Trust Scheme is established and governed by the Trust Deed and Rules dated 2nd October 2022. It is an umbrella fund comprising four sub funds, namely, the Enwealth Money Market Fund, Enwealth Equity Fund, and the Enwealth Balanced Fund and Enwealth Dollar Money Market Fund. The Enwealth Capital Unit Trust Scheme is approved by Capital Markets Authority, guided by Capital Markets Collective Investment Schemes Regulation, 2023 and tax exempted under the Income Tax Act.

OBJECTIVE OF THE SCHEME

The objective of the Enwealth Capital Unit Trust Scheme is to provide a medium whereby investors can obtain undivided participation in a diversified portfolio of securities.

INVESTMENT OBJECTIVES

The Enwealth Capital Unit Trust Scheme is an umbrella fund with four sub-Funds each of which is described below:

1. The fundamental investment objective of the **Enwealth Equity Fund** is to provide an efficient investment medium whereby investors can participate in a portfolio that will seek to provide total return, in the form of both income and capital growth. This will be consistent with the fund investing a minimum of 60% of the market value of its assets under management in equities listed locally, listed in other regulated exchanges or unlisted equities at all times. Any funds not invested in equities shall only be invested in cash and cash equivalents.

The guiding Investment principles for Enwealth Equity Fund are:

- Solid mix of high-performance shares is selected.
- Realize capital gains when appropriate.
- By thorough research, to select stocks in companies with proven performance and good prospects for growth.
- Spread shareholdings over those economic sectors that meet the criteria of performance and growth.
- Manage the portfolio according to best practice of prudent investment.
- Invest in money market instruments spread amongst institutions of repute.
- Minimize losses, while maximizing investment returns, by investing in high quality shares and money market investments.
- Ensure the Fund retains an acceptable level of liquidity to meet any liquidation obligations within the promised timelines.

**ENWEALTH CAPITAL UNIT TRUST SCHEME
CORPORATE TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. The objective of the **Enwealth Balanced Fund** is to seek long-term stability and growth of capital consistent with moderate investment risk and a reasonable level of current income. In order to achieve this object, The Fund Manager shall invest in all eligible asset classes at all times provided that investments in money market, equities and fixed income instruments shall each have a maximum exposure 60% of the market value of assets under management.

The guiding investment principles for Enwealth Balanced Fund are:

- Invest in money market, debt and equity securities which are usually available to the entire spectrum of investors.
- Universe of investments includes: interest-bearing securities such as bank deposits, bank acceptances, treasury bills, commercial paper, whether listed or unlisted treasury bonds, corporate bonds and equity whether listed or unlisted.
- Income yield and capital gains will be primary drivers of investment returns.
- The portfolio may contain low allocation of off-shore exposure as a hedge against the domestic currency and economy occasionally.

3. The objective of the **Enwealth Money Market Fund** is to generate interest income. This is achieved through investing in interest-earning money market instruments which have a maximum weighted average of 13 months. These interest-bearing money market instruments include; credit rated private commercial papers/approved public commercial papers, treasury bills, government securities, call deposits, certificate of deposit including fixed deposits in commercial banks and deposit taking institutions. Any other like instruments as specified by the Central Bank of Kenya from time to time.

The guiding Investment principles for Enwealth Money Market Fund are:

- To invest only in money market instruments spread amongst institutions of repute.
- To manage the portfolio according to best practice of prudent investing.
- To administer the portfolio according to best practice by treating the generation of income as a higher priority than capital growth.
- To minimize losses, while maximizing investment returns, by investing in near cash or cash deposits.
- To ensure the Fund retains an acceptable level of liquidity to meet any liquidation obligations with the promised timelines.

4. The object of the **Enwealth Dollar Money Market Fund** is to provide a medium whereby investors who prefer USD denominated investments with a short term-medium horizon can obtain undivided participation in a diversified portfolio of securities in the Kenyan markets and offshore. This Fund offers preservation of US Dollar denominated capital and accessibility over the short term by generating passive level of income higher than returns in a US Dollar denominated bank account.

The guiding Investment principles for Enwealth Money Market Fund are

- To invest in instruments issued by institutions of repute.
- To manage and administer the portfolio according to best practice, treating the generation of income as a higher priority than capital growth or as the case may be to place equal emphasis on the generation of income and on capital growth and that (in either case) this may accordingly constrain capital growth.
- To minimize losses, while maximizing investment returns, by investing in near cash or cash deposits.

**ENWEALTH CAPITAL UNIT TRUST SCHEME
CORPORATE TRUSTEE'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

CHANGES TO INCORPORATION DOCUMENTS

There were no changes made to incorporation documents (Trust Deed, Information Memorandum, and Rules of the scheme) during the year.

PERFORMANCE OF THE FUNDS

INCOME FOR THE YEAR

Year	Enwealth Equity Fund Kshs.	Enwealth Balanced Fund Kshs.	Enwealth Money Market Fund Kshs.	Enwealth Dollar Money Market Fund USD
2024	378,744	192,887	89,125,893	10,054
2023	(8,371)	43,862	4,898,769	-

FUND VALUE AT THE END OF THE YEAR

Year	Enwealth Equity Fund Kshs.	Enwealth Balanced Fund Kshs.	Enwealth Money Market Fund Kshs.	Enwealth Dollar Money Market Fund USD
2024	1,702,828	1,178,388	831,613,230	278,366
2023	470,684	836,952	177,104,953	-

CORPORATE TRUSTEE

The Corporate Trustee who served during the year is Co-operative Bank of Kenya Ltd.

INDEPENDENT AUDITOR

The Auditors, Ndakala Advisory LLP, Certified Public Accountants (K), have indicated their willingness to continue in office in accordance with Section 60(3) of the Capital Markets (Collective investments schemes) Regulations, 2023.

The auditor was remunerated in accordance with the letter of engagement a total amount of Kshs. 150,000, exclusive of tax for all funds. This fee was catered for by the Administrator.

The Corporate Trustee monitors the effectiveness, objectivity and independence of the Auditor. This responsibility includes the approval of the audit engagement contract and the audit fees on behalf of the unit holders.

CORPORATE TRUSTEE
Co-operative Bank of Kenya Ltd


28/03/2025



**ENWEALTH CAPITAL UNIT TRUST SCHEME
STATEMENT OF CORPORATE TRUSTEE'S RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2024**

The Capital Markets (Collective Investments Schemes) Regulations, 2023 require the Corporate Trustee to prepare financial statements that give a true and fair view of the state of affairs of the Unit Trust Scheme at the end of each financial year and of its operating results for that year. It also requires the Corporate Trustees to ensure that the Unit Trust Scheme keeps proper accounting records, which disclose with reasonable accuracy of the financial position of the Unit Trust Scheme. The Corporate Trustee is also responsible for safeguarding the assets of the Unit Trust Scheme and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Corporate Trustee accepts responsibility for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS). This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The Corporate Trustee accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards (IFRS) and the manner required by the Capital Markets (Collective investments schemes) Regulations, 2023. The Corporate Trustee is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Fund and of its operating results as at 31 December 2024. The Corporate Trustee further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

The statement was approved by the Corporate Trustee on 28/03/2025 and signed on its behalf by:



Co-operative Bank of Kenya Ltd

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ADMINISTRATOR REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

In accordance with the Capital Markets (Collective Investments Schemes) Regulations, 2023 and the Agreement between Enwealth Capital Limited as the Administrator and Old Mutual Investment Group (Kenya) Limited as the Fund manager, we confirm that;

- a. We carry out the administration of the fund in accordance with the provisions of the scheme documents and these Regulations.
- b. We have kept and maintained records of the Scheme at all times.
- c. We have kept and maintained a daily record of the units which are held, issued, redeemed, exchanged and the valuation of the scheme including the creation price, the repurchase price and the maximum issue price required upon completion of the valuation.
- d. We have undertaken business development, customer relations, and customer service.

PERFORMANCE OF THE FUNDS

ENWEALTH MONEY MARKET FUND

Highest and lowest yield

Year	December 31, 2024	December 31, 2023
Highest Yield (%)	16.01	13.95
Lowest Yield (%)	12.97	8.13
Average Yield (%)	15.11	11.24

Income Distribution

Year	December 31, 2024 Kshs	December 31, 2023 Kshs
Net Income Distributed per Unit	0.1072	0.0277

Fund Value, price and Units

Year	December 31, 2024 Kshs	December 31, 2023 Kshs
Total Fund Value	831,613,230	177,104,953
Price per Unit	1	1
Number of Units in issue	831,613,230	177,104,953

ENWEALTH DOLLAR MONEY FUND

Highest and lowest yield

Year	December 31, 2024
Highest Yield (%)	5.67
Lowest Yield (%)	4.10
Average Yield (%)	4.95

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ADMINISTRATOR REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Income Distribution

Year	December 31, 2024 USD
Net Income Distributed per Unit	0.036

Fund Value, price and Units

Year	December 31, 2024 USD
Total Fund Value	278,366
Price per Unit	1
Number of Units in issue	278,366

ENWEALTH BALANCED FUND

Highest and lowest Price

Year	December 31, 2024 Kshs	December 31, 2023 Kshs
Highest Price	12.65	10
Lowest Price	10.88	10.87
Average Price	11.48	10.35

Income Distribution

Year	December 31, 2024 Kshs	December 31, 2023 Kshs
Net Income Distributed per Unit	1.93	1.71

Fund Value, price and Units

Year	December 31, 2024 Kshs	December 31, 2023 Kshs
Total Fund Value	1,185,387	836,952
Price per Unit	11.46	11.15
Number of Units in issue	103,429	75,054

ENWEALTH EQUITY FUND

Highest and lowest Price

Year	December 31, 2024 Kshs	December 31, 2023 Kshs
Highest Price	13.62	10.54
Lowest Price	9.90	9.83
Average Price	11.58	10.04

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ADMINISTRATOR REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

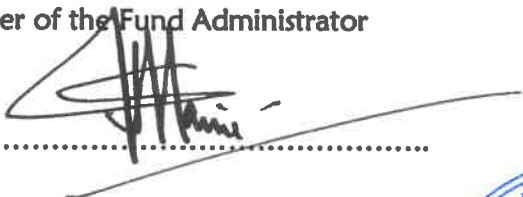
Income Distribution

Year	December 31, 2024 Kshs	December 31, 2023 Kshs
Net Income Distributed per Unit	2.86	-0.17

Fund Value, price and Units

Year	December 31, 2024 Kshs	December 31, 2023 Kshs
Total Fund Value	1,702,828	470,684
Price per Unit	12.84	9.90
Number of Units in issue	132,586	47,525

By order of the Fund Administrator



Enwealth Capital Limited

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ENWEALTH CAPITAL UNIT TRUST SCHEME FUND MANAGER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Kenya Economic update

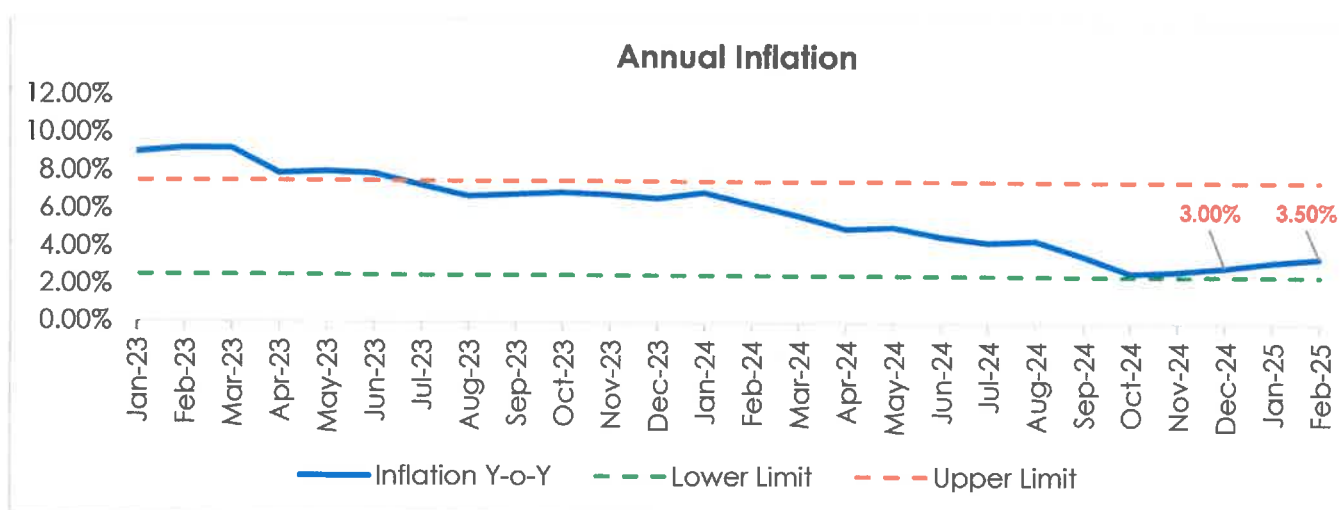
World Bank: Kenya's GDP is expected to expand by 4.7% in 2024, a slowdown from 5.6% in 2023 and aligning more closely with the pre-pandemic average of 4.6% per year between 2011 and 2019, according to the December 2024 Kenya Economic Update. While the country's real GDP is anticipated to improve gradually in the medium term, structural imbalances continue to challenge efforts towards achieving faster, sustained, and more inclusive growth. Macro-economic performance in 2024 was hampered by severe flooding in April, weakened business sentiment following the Gen Z protests, and constrained public spending due to ongoing fiscal consolidation efforts.

Inflation

In 2024, the average annual inflation rate was measured at 4.53%, a notable decrease from 7.69% in 2023, thereby evidencing a significant contraction in aggregate price levels. By December 2024, a gradual yet discernible uptick in inflation had persisted for three consecutive months, leading to an annual rate of 3%, 0.2% above November's 2.8%. This headline inflation was predominantly attributable to upward price adjustments in the Food & Non-Alcoholic Beverages and Transport categories.

The annual inflation increased from 3.3% in January 2025 to 3.5% in February 2025. On a month-to-month basis, the food index—rose by 0.6%, while the composite index for Housing, Water, Electricity, Gas, and Other Fuels, plus the Transport index, each had an incremental rise of 0.1%.

Inflation is likely to remain within the Central Bank of Kenya's target band of 2.5% to 7.5%.



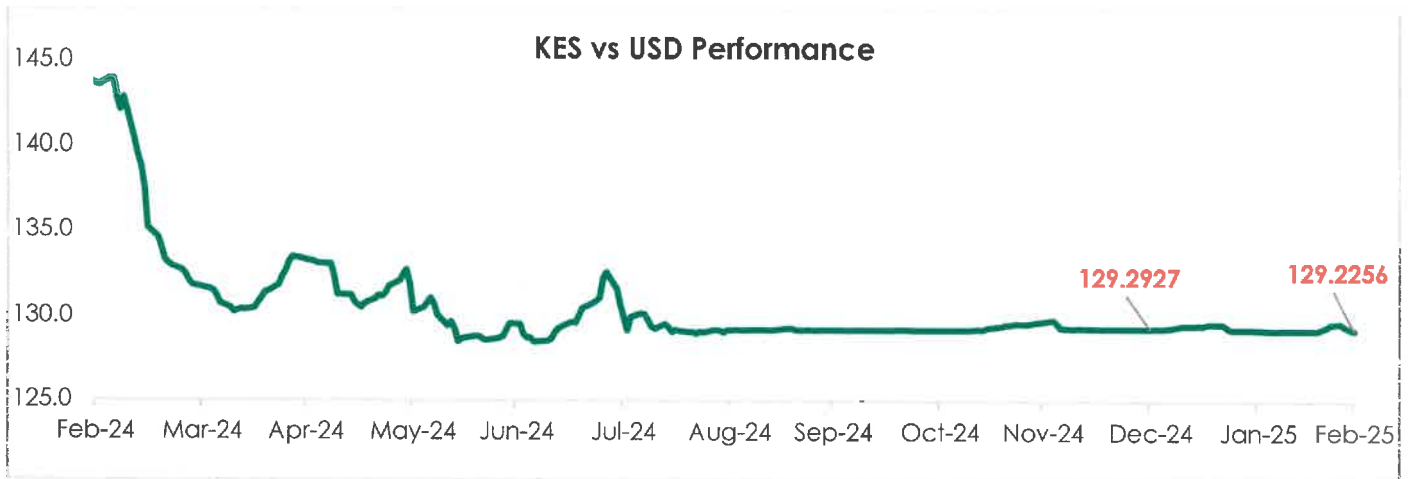
(Source: KNBS, OMIG Research)

Foreign Exchange Market (KES vs USD)

During 2024, the Shilling was resilient and held on to the significant gains that occurred after the Eurobond Refinancing in Q1 -2024, despite the June Protests and the rejection of the Finance Bill. It gained 17.36% against the US Dollar to end 2024 at KES 129.2927.

In February 2025, the Shilling had a modest appreciation against the US Dollar, closing at KES 129.226 from KES 129.229 at the end of January. Higher financing inflows, remittances and more than 4 months of forex reserves are likely to support the currency in the near term.

**ENWEALTH CAPITAL UNIT TRUST SCHEME
FUND MANAGER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

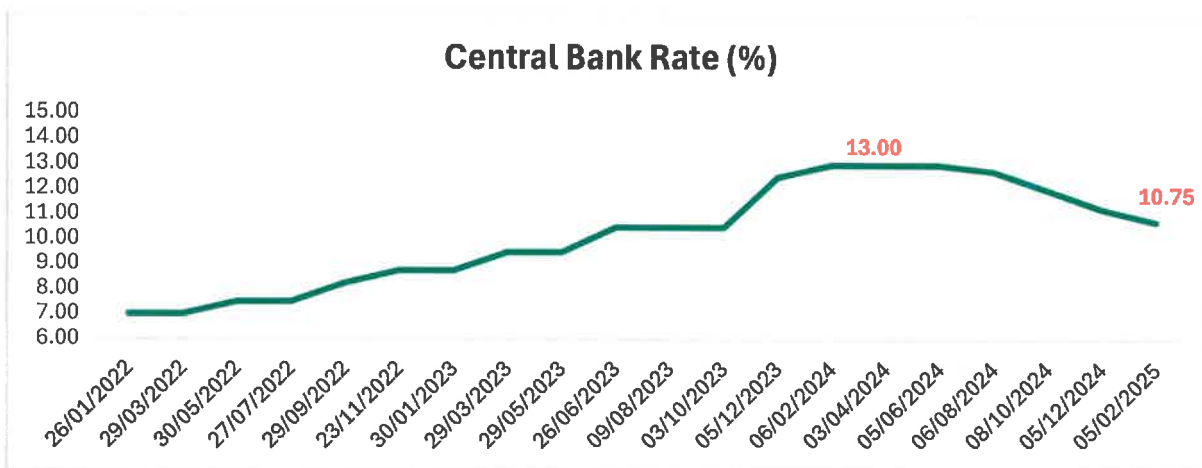


(Source: CBK, OMIG Research)

Central Bank Rate (CBR)

The Monetary Policy Committee (MPC) had its latest meeting on 2nd February 2025 and revised the CBR downwards by 50 basis points to 10.75% from 11.25% in December 2024. This is in line with the Committee's expectation of inflation remaining below the midpoint of its 5 ± 2.5% target range in the short term. Lower inflation is supported by stable core inflation, lower energy prices, and exchange rate stability.

The Committee noted a slowdown in economic growth for 2024, suggesting further monetary easing to stimulate activity while maintaining exchange rate stability.



(Source: CBK, OMIG Research)

**ENWEALTH CAPITAL UNIT TRUST SCHEME
FUND MANAGER’S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

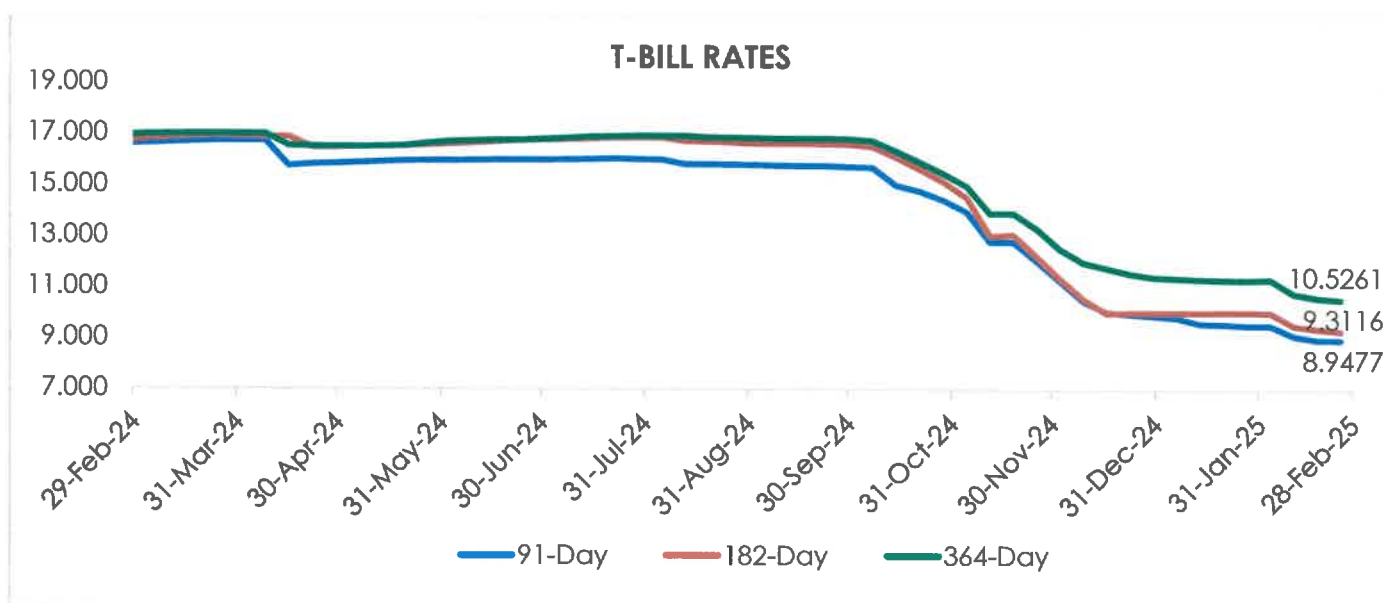
Yields and the Yield Curve

Treasury Bills

In 2024, Treasury Bills were oversubscribed, with an aggregate subscription rate of 153.3%. Investors preferred the 91-day instrument over the other tenors. On a year-on-year basis, yields on Treasury bills declined.

	December 2023	December 2024
91 Day	15.88%	9.89%
182 Day	15.97%	10.02%
364 Day	16.90%	11.41%

In February 2025, Treasury Bills continued to attract significant subscription interest, with a shift toward longer-dated instruments as investors sought to get higher rates. Subscription rates have remained above 100%.



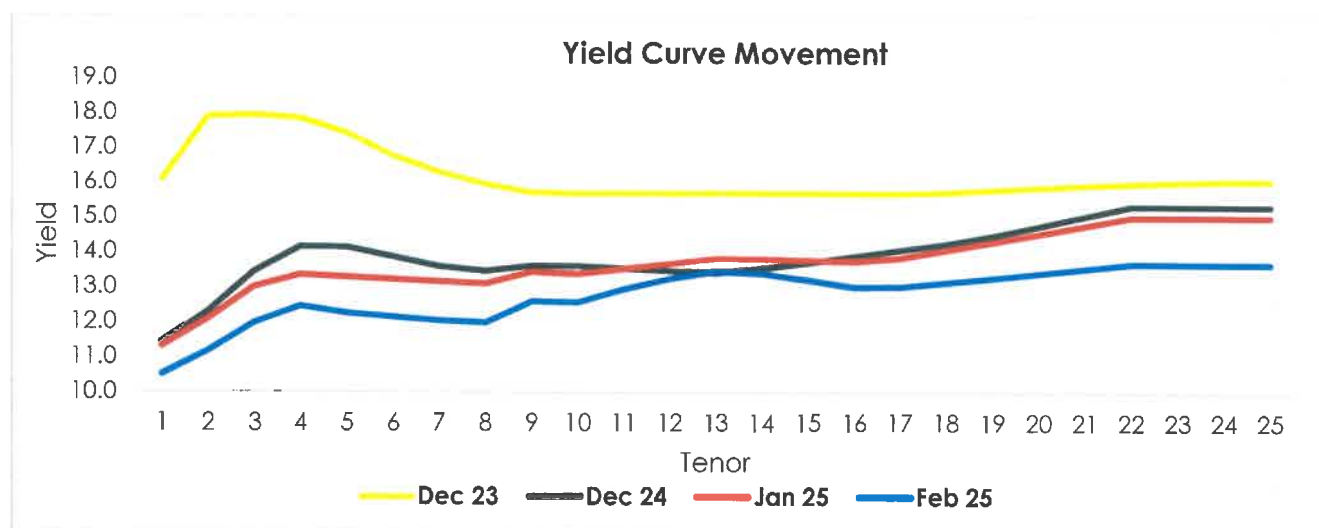
(Source: CBK, OMIG Research)

Treasury Bonds

Over the past year the Treasury Bond market has had oversubscriptions on the primary market on the higher interest rates. The secondary market was active on investors continued preference for the fixed income asset class. Lower rates towards the end of the year attracted investors seeking to profit from existing holdings and those seeking to obtain higher yields in a declining rate environment.

In the current year, the yield curve has shifted lower. Looking ahead it is likely that the mid to long term interest rates will remain in low double digits. However, they may rise if the Government financing requirements increase sharply in the year.

**ENWEALTH CAPITAL UNIT TRUST SCHEME
FUND MANAGER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**



(Source: NSE, OMIG Research)

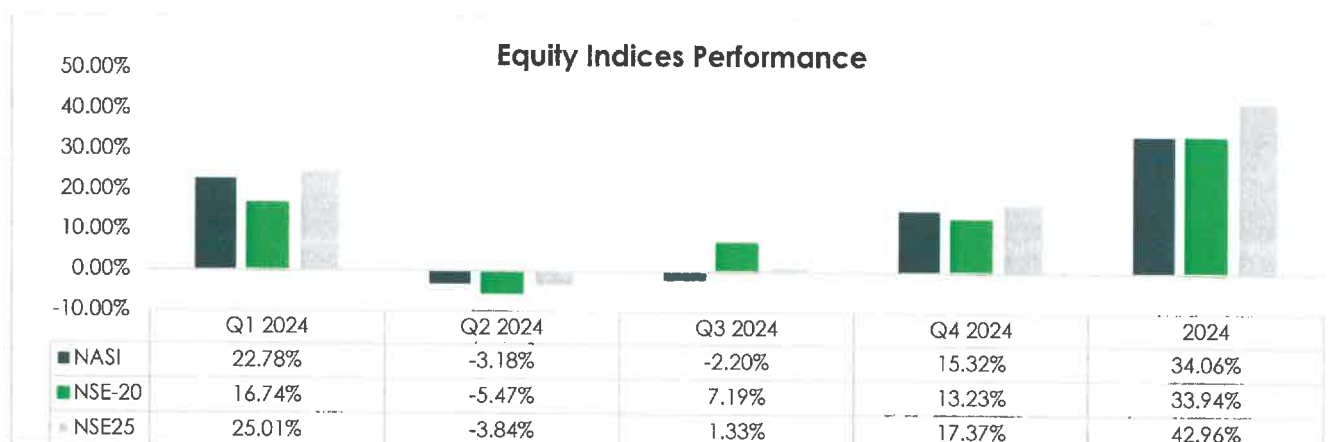
Equity Market Performance

2024 was a positive one for the NSE. The NSE 25, NASI, and NSE 20, which recorded gains of 42.5%, 34.3%, and 33.3%, respectively. 17 of the top 20 shares by market capitalisation rose in price as shown below.

Stock	Market Weight	FY 2024 Price Performance
Safaricom Plc	35.22%	22.66%
Equity Group Holdings Plc	9.40%	43.54%
East African Breweries Plc	7.15%	53.95%
KCB Group Plc	6.89%	89.95%
Standard Chartered Bank Kenya Ltd	5.45%	72.69%
ABSA Bank Kenya Plc	5.05%	57.64%
The Co-operative Bank of Kenya Ltd	4.98%	44.30%
NCBA Group Plc	4.09%	23.75%
I&M Group Plc	3.09%	107.14%
Stanbic Holdings Plc	2.80%	26.21%
British American Tobacco Kenya Plc	1.94%	-7.73%
BK Group Plc	1.50%	-9.08%
Umeme Ltd	1.40%	4.69%
KenGen Co. Plc	1.24%	81.09%
Kenya Airways Ltd	1.12%	0.00%
Bamburi Cement Plc	1.03%	53.42%
Diamond Trust Bank Kenya Ltd	0.99%	53.16%
Britam Holdings Plc	0.75%	21.09%
Jubilee Holdings Ltd	0.65%	-6.22%
Kenya Power & Lighting Co Plc	0.48%	238.73%

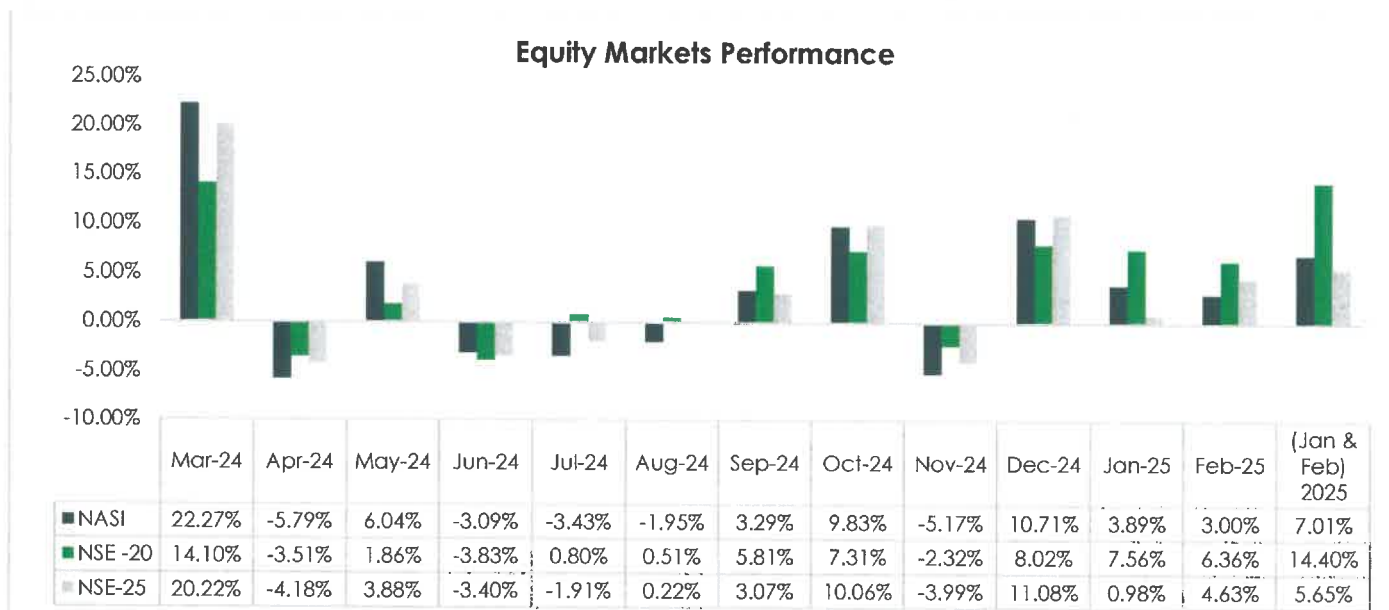
(Source: NSE, OMIG Research)

**ENWEALTH CAPITAL UNIT TRUST SCHEME
FUND MANAGER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**



(Source: NSE, OMIG Research)

As at February 2025 the market has continued its positive performance. This is supported by positive investor sentiment, stronger Banking sector earnings and higher dividend yields.



(Source: NSE, OMIG Research)

The information contained herein is and must be construed solely as statements of opinion and not statements of fact. This document does not constitute an offer, or the solicitation of an offer, for the sale or purchase of any security. The reader should independently evaluate the investment risks and is solely responsible for their investment decisions.

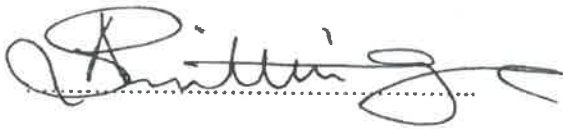
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**ENWEALTH CAPITAL UNIT TRUST SCHEME
FUND MANAGER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

In accordance with the Section 52 of the Capital Markets (Collective Investments Schemes) Regulations, 2023 and the Investment Management Agreement between Old Mutual Investment Group (Kenya) Limited as the Fund manager and The Co-operative Bank of Kenya Limited as the Trustees, we confirm that;

- a. We have invested the Scheme's assets in accordance with the scheme's investment policy including reinvestment of any income of the Funds.
- b. We have been advising the trustee, on the asset classes which are available for investment.
- c. We have been publishing daily or in such periodic intervals, the price of shares or units in a widely accessible medium

By order of the Fund Manager



Old Mutual Investment Group (Kenya) Limited

26th March 2025



**ENWEALTH CAPITAL UNIT TRUST SCHEME
CUSTODIAN'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

In accordance with the Capital Markets (Collective Investments Schemes) Regulations, 2023 and the Custody Agreement between SBM Bank Kenya Limited as the Custodian and Old Mutual Investment Group (Kenya) Limited as the Fund manager, we confirm that;

- a) We have discharged the duties prescribed for a Custodian under Regulation 68 of the regulations, to Enwealth Capital Unit Trust Scheme.
- b) We have received, maintained and kept in safe custody, all assets (including securities and income that accrue thereof) and title documents of the scheme.
- c) We have facilitated the transfer, exchange or delivery of securities held upon receipt of proper instructions from the Fund manager, Administrator and the Trustee where applicable.
- d) We have kept proper books, records and statements of the assets held under management and transactions carried out within the year.

By order of the Custodian



SBM Bank Kenya Limited



..... 2025

REPORT OF THE INDEPENDENT AUDITOR TO THE UNIT HOLDERS OF ENWEALTH CAPITAL UNIT TRUST SCHEME**Opinion**

We have audited the accompanied financial statements of the following unit portfolios of the Enwealth Capital Unit Trust Scheme.

- I. Enwealth Equity Fund set out on pages 19 to 31
- II. Enwealth Balanced Fund set out on pages 32 to 45
- III. Enwealth Money Market Fund set out on pages 46 to 58
- IV. Enwealth Dollar Money Market Fund set out on pages 59 to 71

(the “Fund(s)”) which comprise the respective Fund’s statement of financial position as at 31 December 2024, the statement of profit or loss and other comprehensive income, changes in unit holder balances and cash flows for the year then ended and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes.

In our opinion the accompanying financial statements give a true and fair view of the state of financial affairs of the Funds as of 31 December 2024 and of their financial performance and cash flows for the year ended in accordance with International Financial Reporting Standards (IFRS) and requirements of the Capital Markets Authority (Collective Investment Schemes) Regulation, 2023.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the Management, and evaluating the overall financial statement presentation.

We are independent of the Unit Trust Scheme in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the Funds financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

REPORT (CONT'D)**Corporate Trustee's Responsibility for the Financial Statements.**

The Corporate Trustee is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and with the requirements of the Capital Market Act (Collective Investment Schemes) Regulations, 2023. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Unit Trust Scheme internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Corporate Trustee.
- Conclude on the appropriateness of the Corporate Trustee's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Unit Trust Scheme ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Unit Trust Scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.


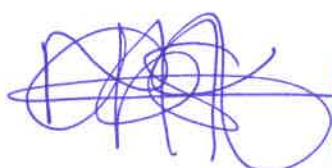
REPORT (CONT'D)

Report on other legal requirements

As required by the Capital Markets Authority (Collective Investment Schemes) Regulation, 2023 we report to you, based on our audit, that:

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. In our opinion proper books of accounts have been kept by the Unit Trust Scheme, so far as appears from our examination of those books;
- iii. The Funds Statement of Comprehensive Income and Statement of Financial Position are in agreement with the books of accounts.

The engagement partner responsible for the audit resulting in this independent Auditor's opinion is CPA Noah O. Ndakala – P/No 2039.



For and on behalf of Ndakala Advisory LLP.....
Certified Public Accountants (K)
Nairobi, Kenya

ENWEALTH EQUITY FUND

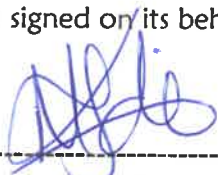
ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH EQUITY FUND
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

		2024	2023
		Kshs	Kshs
INCOME			
Investment income	5	119,431	20,896
Fair value gain/(loss) on investments		259,313	(28,667)
Total Income		<u>378,744</u>	<u>(7,771)</u>
EXPENSES			
Management Expenses	6	-	-
Administrative Expenses	7	-	(600)
Total Expenses		<u>-</u>	<u>(600)</u>
Profit/(Loss) for the year		<u>378,744</u>	<u>(8,371)</u>

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH EQUITY FUND
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024 Kshs	2023 Kshs
ASSETS			
Investment Balances			
Financial Investments	8	550,500	244,500
Other Investments	9	1,134,928	219,480
		<u>1,685,428</u>	<u>463,980</u>
Current Assets			
Cash and Cash Equivalents	10	13,380	2,163
Accounts Receivable	11	4,020	4,541
		<u>17,400</u>	<u>6,704</u>
Total Assets		<u>1,702,828</u>	<u>470,684</u>
EQUITY			
Unit holder balances	12	1,702,828	470,684
Total Equity		<u>1,702,828</u>	<u>470,684</u>

The financial statements on pages 19 to 31 were approved by the Corporate Trustee on ... 28/03/2025 and signed on its behalf by:



Corporate Trustee, Co-operative Bank of Kenya Ltd.



ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH EQUITY FUND
STATEMENT OF CHANGES IN UNIT HOLDER BALANCES
FOR THE YEAR ENDED 31 DECEMBER 2024

	Unit holder capital balances	Kshs
As at 1 January 2023		-
Comprehensive income to unit holders:		
(Loss) for the year		(8,371)
Transactions with unit holders:		
Units purchased		976,330
Units liquidated		-
Distributions paid out in cash		(497,275)
Withholding tax on distributions		-
Total transactions with unit holders		<u>479,055</u>
As at 31 December 2023		<u>470,684</u>
As at 1 January 2024		470,684
Comprehensive income to unit holders:		
Profit for the year		378,744
Transactions with unit holders:		
Units purchased		2,272,033
Units liquidated		-
Distributions paid out in cash		(1,418,633)
Withholding tax on distributions		-
Total transactions with unit holders		<u>853,400</u>
As at 31 December 2024		<u>1,702,828</u>

ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH EQUITY FUND
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

		2024 KShs	2023 KShs
Operating Activities	Notes		
Profit/(Loss) for the year		378,744	(8,371)
Decrease/(Increase) in receivables		521	(4,541)
Net Cash Flows (used in) Operating Activities		<u>379,265</u>	<u>(12,912)</u>
Financing Activities			
Units purchased		2,272,033	976,330
Distribution paid		(1,418,633)	(497,275)
Net Cash generated from financing activities		<u>853,400</u>	<u>479,055</u>
Net Cash Flows From Investing Activities			
Equities purchases		(915,448)	(219,480)
Net Cash Flows (used in) Investing Activities		<u>(915,448)</u>	<u>(219,480)</u>
Cash and cash equivalents as at the start of year		246,663	-
Net changes in cash and cash equivalents		317,217	246,663
Cash and cash equivalents as at the end of year	10	<u><u>563,880</u></u>	<u><u>246,663</u></u>

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1 GENERAL INFORMATION

Enwealth Capital Unit Trust Scheme ('the fund') is a collective investment scheme which is registered under the Capital Markets Authority Act and is domiciled in Kenya. The Fund was established under a Trust Deed dated 2nd October 2022. The address of its registered office is:

Enwealth Capital Limited
Morningside Office Park,
1st Floor, Suite D2, Ngong Road
P.O.Box 52840 - 00200
Nairobi, Kenya

2 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of these financial statements are set out as below:

a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The financial statements are presented in Kenya Shillings (KSH).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the trustee to exercise its judgement in the process of applying the Fund's accounting policies. Areas involving a higher degree of judgement or complexity relate to classification of assets, determination of whether the assets are impaired and the tax status of the Fund.

b) Changes in accounting policy and disclosures

i) New and amended standards adopted

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on 1 January 2024 that would be expected to have a material impact on the Fund.

ii) New standards and interpretations not yet adopted

The Fund has not applied any new or revised standards and interpretations that have been published but are not yet effective for the year beginning 1 January 2024 and the trustee do not plan to apply any of them until they become effective. None of these is expected to have significant effect on the financial statements of the Fund.

iii) Early Adoption

The Fund did not early adopt any new standards and/or interpretation that are in issue but not yet effective.

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

c) Revenue recognition

Interest income is recognized on a time proportion basis that takes into account the effective yield on the asset. Dividends are recognized as income in the year in which the right to receive payment is established.

d) Financial Instruments

Financial assets

(i) Classification and impairment of financial assets

The Fund classifies its financial assets into the following measurement categories:

- at fair value through profit or loss (FVPL); and
- at amortized cost.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The Fund recognizes cash at bank, fixed deposits and treasury bills at amortized cost

(ii) Recognition

Regular purchases and sales of financial assets are recognized on the trade-date, the date on which the Fund commits to purchase or sell the asset.

(iii) Measurement

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in investment income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/ (losses) together with foreign exchange gains and losses.

Assets measured at FVTPL are subsequently measured at their fair value, with gains or losses on remeasurement recognized in profit or loss.

(iv) Impairment

The Fund assesses on a forward-looking basis the expected credit loss associated with its financial instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk

ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

d) Financial Instruments (continued)

(iv) Impairment (cont'd)

The impairment model applies to the following financial instruments:

- Treasury bills;
- Deposits with financial institutions; and
- Cash and bank balances.

The Fund recognizes loss allowance at an amount equal to either 12-month ECLs or lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument, whereas 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date.

- Financial instruments that are determined to have low credit risk at the reporting date. The Fund will consider a financial instrument to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment-grade'; and
- Other financial instruments for which credit risk has not increased significantly since initial recognition.

Measurement of expected credit losses

ECLs are a probability-weighted estimate of credit *losses* and will be measured as follows:

- financial assets that are not credit-impaired at the reporting date: the present value of all cash shortfalls — i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Fund expects to receive;
- financial assets that are credit-impaired at the reporting date: the difference between the gross carrying amount and the present value of estimated future cash flows;

An asset is credit-impaired if one or more events have occurred that have a detrimental impact on the estimated future cash flows of the asset.

Expected credit losses

Expected credit losses are computed as a product of the Probability of Default (PD), Loss Given Default (LGD) and the Exposure at Default (EAD).

$$ECL = PD \times LGD \times EAD$$

In applying the IFRS 9 impairment requirements, the Fund follows the general approach.

Under the general approach, at each reporting date, the Fund determines whether the financial asset is in one of the three stages below, to determine both the amount of ECL to recognize as well as how interest income should be recognized.

An expected credit loss model for deposits and call balances placed with banks will be based on the default rate assigned by global credit rating body S&P.

LGD is the magnitude of the likely loss if there is a default. The Fund estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties.

EAD represents the expected exposure in the event of a default. The Fund derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract, including amortization, and prepayments.

ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

c) Financial Instruments (continued)

(v) Financial liabilities

Financial liabilities are initially recognized at fair value and subsequently measured at amortized cost. Financial liabilities are derecognized when they have been redeemed or otherwise extinguished.

The Fund classifies all financial liabilities as subsequently measured at amortized cost.

(vi) Derecognition of financial instruments

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired
- the Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
- the Fund has transferred substantially all the risks and rewards of the asset, or
- the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

vii. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, there is a currently enforceable legal right to set off the recognized amounts and there is an intention either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

d) Distribution

All income arising from receipts of investment income is distributed to unit holders after provision for expenses and taxes. The unit holders have an option of taking their distributions in cash or having the distribution re-invested to form part of the unit holder capital balance.

e) Unit holder balances

Unit holder balances are redeemable on demand at an amount equal to a proportionate share of the unit portfolio's net asset value. The balances are carried at the redemption amount that is payable at the balance sheet date if the holder exercised their right to redeem the balances.

Unit holder balances are classified as equity.

f) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

g) Taxation

The unit trust is registered under the Income Tax Act (Collective Investment Scheme Rules 2003). Whereas income tax including the payment of withholding tax on investment income is exempt as per the laws, the Unit Trust is yet to obtain an exemption certificate to solidify the same. However, distribution to Unit holders is not exempt from tax. With effect from September 2009 distributions (income less expenses) to unit holders are subjected to tax at current withholding tax rates (15% for interest and 5% for dividends) and are recognized in the statement of changes in unit holder balances

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The trustee also needs to exercise judgment in applying the Fund's accounting policies.

All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events.

(a) Measurement of the expected credit loss allowance

A number of significant judgements are required in applying the accounting requirement for measuring ECL, such as:

- Determining the appropriate business models and assessing the "solely payments of principal and interest (SPPI)" requirements for financial assets,
- Determining criteria for significant increase in credit risk,
- Choosing the appropriate models and assumptions for the measurement of ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

4 RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management

The Fund generates revenues for unit holders by investing in various income generating activities which involve trading in the stock exchange and trading in government securities. These activities expose the Fund to a variety of financial risks, including credit, liquidity risk and the effects of changes in debt and equity market prices and interest rates. The Fund's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance.

Risk management is carried out by the investment managers under direction of the Enwealth Capital Unit Trust Scheme Board. The Board works within policies approved by the Fund's Trustee. Investment managers review the market trends and information available to evaluate the potential exposures. They then arrive at strategies to mitigate against these risks. The Board provides the investment managers with written guidelines for appropriate investments. These guidelines are reviewed on a regular basis and are within the Collective Investment Scheme regulations issued by the Capital Markets Authority.

ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

4 RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Liquidity risk

The Fund is exposed to daily cash redemptions of redeemable units. It therefore invests the majority of its assets in investments that are traded at the Nairobi Securities Exchange.

The Fund's listed securities are considered readily realizable, as they are listed on the Nairobi Securities Exchange.

In accordance with the Fund's policy, the Investment Manager monitors the Fund's liquidity position on a daily basis and has developed a comprehensive history of the Fund's daily and/or periodic liquidity requirements. Guided by this history, the manager maintains sufficient cash and near cash investments to meet the day to day redemption requirements.

The table below shows the Funds' investments in cash and near cash equivalents at 31 December 2024.

Item	2024	2023
	Kshs	Kshs
Cash and Bank	13,380	2,163
Fixed & Call Deposits	550,500	244,500
Quoted Equities	1,134,928	219,480
Total	1,698,808	466,143

Unit Holder Balances

Item	2024	2023
	Kshs	Kshs
Unit holder balances	1,702,828	470,684

Capital management

The capital of the Fund is represented by unit holder balances. The amount of unit holder balances can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders.

The Fund's objectives when managing capital are to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders.

Market risk

Price risk

The Fund is exposed to equity securities price risk because of investments in quoted shares and other financial assets classified at fair value through profit or loss. The Fund is not exposed to commodity price risk. To manage its price risk arising from investments in equity and debt securities, the Fund diversifies its portfolio. Diversification of the portfolio is done in accordance with limits set by the Fund. All quoted shares held by the Fund are traded on the Nairobi Securities Exchange (NSE).

Foreign exchange risk

The Fund does not invest offshore and is therefore not exposed to foreign exchange risk.

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

4 RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Interest rate risk

The Fund is subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. No limits are placed on the ratio of variable rate financial instruments to fixed rate financial instruments. Fixed interest rate financial instruments expose the Fund to fair value interest rate risk. Variable interest rate financial instruments expose the Fund to cash flow interest rate risk. The Fund's fixed interest rate financial instruments are government securities and deposits with financial institutions. The Fund's variable interest rate financial instruments relate only to floating rate corporate bonds.

Credit risk

The Fund uses external credit risk gradings that reflect its assessment of the probability of defaults of individual counterparties. The Fund uses external rating models tailored to the various categories of counterparty. In addition, the models enable expert judgment from the Credit Risk Officer to be fed into the final internal credit rating for each exposure. This allows for the considerations which may not be captured as part of the other data input into the model.

Expected Credit loss measurement

IFRS 9 outlines a "three-stage" model for impairment based on changes in credit quality since initial recognition as summarized below:

- A financial instrument that is not credit impaired at initial recognition is classified in "Stage 1" and has its credit risk continuously monitored by the Fund.
- If a significant increase in credit risk ("SICR" since initial recognition is identified, the financial instrument is moved to "Stage 2" but is not yet deemed to be credit impaired.
- If the financial instrument is credit-impaired, the financial instrument is then moved to "Stage 3."

- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stage 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.

A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information.

Maximum exposure to credit risk - Financial instruments subject to impairment

The following table contains an analysis of the maximum credit risk exposure from financial assets subject to impairment (i.e., amortized cost)

Trading Assets	2024	2023
	Kshs	Kshs
Fixed Time Deposits	550,500	244,500

The expected credit loss amounts arising are not material and have not been adjusted in the financial statements.

Write-off policy

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Fund's recovery methods foreclosing on collateral and the value of the collateral is such that there is no reasonable expectations of recovering in full.

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	2024	2023
	Kshs	Kshs
5 Investment Income		
Call deposits interest	73,682	19,946
Dividend income	45,749	950
	<u>119,431</u>	<u>20,896</u>
6 Management Expenses		
Custody fees	39,150	29,775
Management Fees	5,373	-
Corporate Trustees Fees	3,037	-
	<u>47,560</u>	<u>29,775</u>
<p>The custody fee of Kshs. 39,150 (2023: Kshs. 29,775), management fee of Kshs. 5,373 and Corporate Trustee fees of Kshs. 3,037 was catered for by the administrator.</p>		
7 Administrative expense		
Bank charges	-	600
	<u>-</u>	<u>600</u>
8 Financial Investments		
Fixed & Call Deposit	550,500	244,500
	<u>550,500</u>	<u>244,500</u>
Call deposits		
Opening Balance	249,041	-
Accrued interest b/f	(4,541)	-
Purchases	2,943,500	1,105,300
Disposals	(2,637,500)	(860,800)
Accrued Interest	4,020	4,541
Closing Balance	<u>554,520</u>	<u>249,041</u>
9 Other Investments		
Quoted Equities	1,134,928	219,480
	<u>1,134,928</u>	<u>219,480</u>
Classification of quoted securities per sector:		
Banking	721,253	109,780
Manufacturing and Allied	200,550	74,950
Telecommunications and Technology	213,125	34,750
	<u>1,134,928</u>	<u>219,480</u>
10 Cash and Cash Equivalents		
SBM Bank - Nominee	12,934	2,163
SBM Bank - Disbursement	446	-
	<u>13,380</u>	<u>2,163</u>

For the purpose of cashflow, the cash and Bank Balance includes cash at bank and Fixed & call deposits

Cash at bank	13,380	2,163
Call and fixed deposits	550,500	244,500
	<u>563,880</u>	<u>246,663</u>

ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	Kshs	Kshs
11 Accounts Receivables		
Call Deposit Interest Receivable	4,020	4,541
	<u>4,020</u>	<u>4,541</u>

	2024		2023	
	No. of	Value	No. of	Value
	units	Kshs	units	Kshs
At start of year	47,525	470,684	-	-
Creations	97,757	2,272,033	47,525	976,330
Liquidations income available for distribution		378,744		(8,371)
Distribution paid in the year	(12,695)	(1,418,633)		(497,275)
Effects of changes in fair value of investments				
At the end of the year	<u>132,587</u>	<u>1,702,828</u>	<u>47,525</u>	<u>470,684</u>

13 Related party transactions

Enwealth Capital Unit Trust Scheme was established by Enwealth Capital Limited . Enwealth Capital Unit Trust Scheme is administered by Enwealth Capital Limited which is incorporated in Kenya. The ultimate parent of Enwealth Capital Limited is Enwealth Financial Services Limited.

Transactions with related parties were made at terms and conditions similar to those offered to other unit holders.

	2024		2023	
Unit Holder	No. of	Amount	No. of	Amount
	Units	Kshs	Units	Kshs
Enwealth Financial Services Limited	10,934	148,923	10,000	99,039
	<u>10,934</u>	<u>148,923</u>	<u>10,000</u>	<u>99,039</u>

14 Events after the reporting period

There were no events after reporting date.

15 Contingent liabilities and provisions

There were no contingent liabilities as at 31 December 2024.

ENWEALTH BALANCED FUND

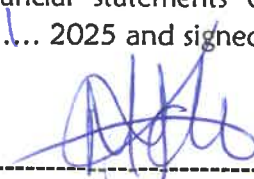
**ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH BALANCED FUND
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

		2024	2023
	Notes	Kshs	Kshs
INCOME			
Investment income	5	182,823	43,862
Fair value gain on investments		10,064	-
		<u>192,887</u>	<u>43,862</u>
EXPENSES			
Management Expenses	6	-	-
Total Expenses		<u>-</u>	<u>-</u>
Profit for the year		<u><u>192,887</u></u>	<u><u>43,862</u></u>

ENWEALTH CAPITAL UNIT TRUST SCHEME
 ENWEALTH BALANCED FUND
 STATEMENT OF FINANCIAL POSITION
 FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 Kshs	2023 Kshs
ASSETS			
Investments Balances			
Financial Investments	7	1,120,000	748,287
Current Assets			
Cash and Cash Equivalents	8	11,565	71,406
Account Receivables	9	46,823	17,259
		<u>58,388</u>	<u>88,665</u>
Total Assets		<u><u>1,178,388</u></u>	<u><u>836,952</u></u>
EQUITY			
Unit holder balances	10	1,178,388	836,952
		<u><u>1,178,388</u></u>	<u><u>836,952</u></u>

The financial statements on pages 32 to 45 were approved by the Corporate Trustee on 28/03/2025 and signed on its behalf.




Corporate Trustee, Co-operative Bank of Kenya Ltd.

ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH BALANCED FUND
STATEMENT OF CHANGES IN UNIT HOLDER BALANCES
FOR THE YEAR ENDED 31 DECEMBER 2024

	Unit holder capital balances
	Kshs
As at 1 January 2023	-
Comprehensive income to unit holders:	
Profit for the year	43,862
Transactions with unit holders:	
Units purchased	930,365
Units liquidated	-
Distributions paid out in cash	(137,275)
Withholding tax on distributions	-
Total transactions with unit holders	<u>793,090</u>
As at 31 December 2023	<u><u>836,952</u></u>
As at 1 January 2024	836,952
Comprehensive income to unit holders:	
Profit for the year	192,887
Transactions with unit holders:	
Units purchased	1,574,383
Units liquidated	-
Distributions paid out in cash	(1,425,834)
Withholding tax on distributions	-
Total transactions with unit holders	<u>148,549</u>
As at 31 December 2024	<u><u>1,178,388</u></u>

ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH BALANCED FUND
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 Kshs	2023 Kshs
Operating Activities			
Profit for the year		192,887	43,862
(Increase) in receivables		(29,564)	(17,259)
Net Cash Flows (used in) Operating Activities		163,323	26,603
Financing Activities			
Units purchased		1,574,383	930,365
Distribution paid		(1,425,834)	(137,275)
Net Cash generated from financing activities		148,549	793,090
Net Cash Flows From Investing Activities			
Treasury bonds purchases		(545,000)	-
Net Cash Flows (used in) Investing Activities		(545,000)	-
Cash and cash equivalents as at the start of year		819,693	-
Net changes in cash and cash equivalents		(233,128)	819,693
Cash and cash equivalents as at the end of year	8	586,565	819,693

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH BALANCED FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1 GENERAL INFORMATION

Enwealth Capital Unit Trust Scheme ('the fund') is a collective investment Scheme which is registered under the Capital Markets Authority Act and is domiciled in Kenya. The Fund was established under a trust deed dated 2nd October 2022. The address of its registered office is:

Enwealth Capital Limited
Morningside Office Park,
1st Floor, Suite D2, Ngong Road
P.O.Box 52840 - 00200
Nairobi, Kenya

2 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of these financial statements are set out as below:

a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The financial statements are presented in Kenya Shillings (Shs).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the trustee to exercise its judgement in the process of applying the Fund's accounting policies. Areas involving a higher degree of judgement or complexity relate to classification of assets, determination of whether the assets are impaired and the tax status of the Fund.

b) Changes in accounting policy and disclosures

i) New and amended standards adopted

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on 1 January 2024 that would be expected to have a material impact on the Fund.

ii) New standards and interpretations not yet adopted

The Fund has not applied any new or revised standards and interpretations that have been published but are not yet effective for the year beginning 1 January 2024 and the trustee do not plan to apply any of them until they become effective. None of these is expected to have significant effect on the financial statements of the Fund.

iii) Early Adoption

The Fund did not early adopt any new standards and/or interpretation that are in issue but not yet effective.

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH BALANCED FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

c) Revenue recognition

Interest income is recognized on a time proportion basis that takes into account the effective yield on the asset. Dividends are recognized as income in the year in which the right to receive payment is established.

d) Financial Instruments

Financial assets

(i) Classification and impairment of financial assets

The Fund classifies its financial assets into the following measurement categories:

- at fair value through profit or loss (FVPL); and
- at amortized cost.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The Fund recognizes cash at bank, fixed deposits and treasury bills at amortized cost

(ii) Recognition

Regular purchases and sales of financial assets are recognized on the trade-date, the date on which the Fund commits to purchase or sell the asset.

(iii) Measurement

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in investment income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/ (losses) together with foreign exchange gains and losses.

Assets measured at FVTPL are subsequently measured at their fair value, with gains or losses on remeasurement recognized in profit or loss.

(iv) Impairment

The Fund assesses on a forward-looking basis the expected credit loss associated with its financial instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH BALANCED FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(iv) Impairment (cont')

The impairment model applies to the following financial instruments:

- Treasury bills;
- Deposits with financial institutions; and
- Cash and bank balances.

The Fund recognizes loss allowance at an amount equal to either 12-month ECLs or lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument, whereas 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date.

- Financial instruments that are determined to have low credit risk at the reporting date. The Fund will consider a financial instrument to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment-grade'; and
- Other financial instruments for which credit risk has not increased significantly since initial recognition.

Measurement of expected credit losses

ECLs are a probability-weighted estimate of credit *losses* and will be measured as follows:

- financial assets that are not credit-impaired at the reporting date: the present value of all cash shortfalls — i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Fund expects to receive;
- financial assets that are credit-impaired at the reporting date: the difference between the gross carrying amount and the present value of estimated future cash flows;

An asset is credit-impaired if one or more events have occurred that have a detrimental impact on the estimated future cash flows of the asset.

Expected credit losses

Expected credit losses are computed as a product of the Probability of Default (PD), Loss Given Default (LGD) and the Exposure at Default (EAD).

$$ECL = PD \times LGD \times EAD$$

In applying the IFRS 9 impairment requirements, the Fund follows the general approach.

Under the general approach, at each reporting date, the Fund determines whether the financial asset is in one of the three stages below, to determine both the amount of ECL to recognize as well as how interest income should be recognized.

An expected credit loss model for deposits and call balances placed with banks will be based on the default rate assigned by global credit rating body S&P.

LGD is the magnitude of the likely loss if there is a default. The Fund estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties.

EAD represents the expected exposure in the event of a default. The Fund derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract, including amortization, and prepayments.

ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH BALANCED FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

c) Financial Instruments (continued)

(v) Financial liabilities

Financial liabilities are initially recognized at fair value and subsequently measured at amortized cost. Financial liabilities are derecognized when they have been redeemed or otherwise extinguished.

The Fund classifies all financial liabilities as subsequently measured at amortized cost.

(vi) Derecognition of financial instruments

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired
- the Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
- the Fund has transferred substantially all the risks and rewards of the asset, or
- the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

vii. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, there is a currently enforceable legal right to set off the recognized amounts and there is an intention either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

d) Distribution

All income arising from receipts of investment income is distributed to unit holders after provision for expenses and taxes. The unit holders have an option of taking their distributions in cash or having the distribution re-invested to form part of the unit holder capital balance.

e) Unit holder balances

Unit holder balances are redeemable on demand at an amount equal to a proportionate share of the unit portfolio's net asset value. The balances are carried at the redemption amount that is payable at the balance sheet date if the holder exercised their right to redeem the balances.

Unit holder balances are classified as equity.

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH BALANCED FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

f) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

g) Taxation

The unit trust is registered under the Income Tax Act (Collective Investment Scheme Rules 2003). Whereas income tax including the payment of withholding tax on investment income is exempt as per the laws, the Unit Trust is yet to obtain an exemption certificate to solidify the same. However, distribution to Unit holders is not exempt from tax. With effect from September 2009 distributions (income less expenses) to unit holders are subjected to tax at current withholding tax rates (15% for interest and 5% for dividends) and are recognized in the statement of changes in unit holder balances.

h) Events after the reporting period

There were no events after reporting date.

i) Contingent liabilities and provisions

There were no contingent liabilities as at 31 December 2024.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The trustee also needs to exercise judgment in applying the Fund's accounting policies.

All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events.

(a) Measurement of the expected credit loss allowance

A number of significant judgements are required in applying the accounting requirement for measuring ECL, such as:

- Determining the appropriate business models and assessing the "solely payments of principal and interest (SPPI)" requirements for financial assets,
- Determining criteria for significant increase in credit risk,
- Choosing the appropriate models and assumptions for the measurement of ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

4 RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management

The Fund generates revenues for unit holders by investing in various income generating activities which involve trading in the stock exchange and trading in government securities. These activities expose the Fund to a variety of financial risks, including credit, liquidity risk and the effects of changes in debt and equity market prices and interest rates. The Fund's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance.

ENWEALTH CAPITAL LIMITED UNIT TRUST SCHEME
ENWEALTH BALANCED FUND
ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 DECEMBER 2024

4 RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Financial risk management (Cont'd)

Risk management is carried out by the investment managers under direction of the Enwealth Capital Unit Trust Scheme Board. The Board works within policies approved by the Fund's Trustee. Investment managers review the market trends and information available to evaluate the potential exposures. They then arrive at strategies to mitigate against these risks. The Board provides the investment managers with written guidelines for appropriate investments. These guidelines are reviewed on a regular basis and are within the Collective Investment Scheme regulations issued by the Capital Markets Authority.

Liquidity risk

In accordance with the Fund's policy, the Investment Manager monitors the Fund's liquidity position on a daily basis and has developed a comprehensive history of the Fund's daily and/or periodic liquidity requirements. Guided by this history, the manager maintains sufficient cash and near cash investments to meet the day to day redemption requirements.

The table below shows the Funds' investments in cash and near cash equivalents at 31 December 2024.

Item	2024	2023
	Kshs	Kshs
Cash and Bank	11,565	71,406
Fixed & Call Deposits	575,000	458,000
Treasury Bills	-	290,287
Total	<u>586,565</u>	<u>819,693</u>

Unit Holder Balances

Item	2024	2023
	Kshs	Kshs
Unit holder balances	1,178,388	836,952
	<u>1,178,388</u>	<u>836,952</u>

Capital management

The capital of the Fund is represented by unit holder balances. The amount of unit holder balances can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders.

The Fund's objectives when managing capital are to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders.

ENWEALTH CAPITAL LIMITED UNIT TRUST SCHEME

ENWEALTH BALANCED FUND

ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2024

4 RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk

Price risk

The Fund is exposed to equity securities price risk because of investments in quoted shares and other financial assets classified at fair value through profit or loss. The Fund is not exposed to commodity price risk. To manage its price risk arising from investments in equity and debt securities, the Fund diversifies its portfolio. Diversification of the portfolio is done in accordance with limits set by the Fund. All quoted shares held by the Fund are traded on the Nairobi Securities Exchange (NSE).

The Investment Manager moderates this risk through a careful selection and diversification of securities and other financial instruments within specified limits. Total universe of assets in which the Fund could potentially invest are divided into various asset classes namely Quoted securities, bonds, offshore, deposits and cash.

The Fund Manager conducts research on overall the economic performance and determines probable sector performances and, therefore, asset allocation. Typically, the choice of investment involves the following steps tailored to minimize the level of exposure to asset classes and specific securities:

1.Strategic Asset Allocation (SAA)

- This is the first step and sets the minimums and maximums for each asset class; Long term guideline taking to account investment objectives, asset/liability profile and maturity profile of Funds; and

2.Tactical Asset allocation

- Sets the short term (quarterly) ranges for each asset class allowing manager to take advantage of prevailing market conditions,
- Identifies actual assets invested in within each investment class but within the overall strategic range;
- Selection of the specific securities invested in is reviewed monthly by an investment committee.

Moreover, each asset class is benchmarked against appropriate market indices with the primary objective of outperforming the indices over the medium to longer term.

Foreign exchange risk

The Fund does not invest offshore and is therefore not exposed to foreign exchange risk.

Interest rate risk

The Fund is subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. No limits are placed on the ratio of variable rate financial instruments to fixed rate financial instruments. Fixed interest rate financial instruments expose the Fund to fair value interest rate risk. Variable interest rate financial instruments expose the Fund to cash flow interest rate risk. The Fund's fixed interest rate financial instruments are government securities and deposits with financial institutions.

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH BALANCED FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

4 RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk

The Fund uses external credit risk gradings that reflect its assessment of the probability of defaults of individual counterparties. The Fund uses external rating models tailored to the various categories of counterparty. In addition, the models enable expert judgment from the Credit Risk Officer to be fed into the final internal credit rating for each exposure. This allows for the considerations which may not be captured as part of the other data input into the model.

Expected Credit loss measurement

IFRS 9 outlines a “three-stage” model for impairment based on changes in credit quality since initial recognition as summarized below:

- A financial instrument that is not credit impaired at initial recognition is classified in “Stage 1” and has its credit risk continuously monitored by the Fund.
- If a significant increase in credit risk (“SICR” since initial recognition is identified, the financial instrument is moved to “Stage 2” but is not yet deemed to be credit impaired.
- If the financial instrument is credit-impaired, the financial instrument is then moved to “Stage 3.
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stage 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.

A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward- looking information.

Maximum exposure to credit risk - Financial instruments subject to impairment

The following table contains an analysis of the maximum credit risk exposure from financial assets subject to impairment (i.e., amortized cost)

Trading Assets	2024	2023
	Kshs	Kshs
Fixed Time Deposits	<u>575,000</u>	<u>458,000</u>
	<u>575,000</u>	<u>458,000</u>

The expected credit loss amounts arising are not material and have not been adjusted in the financial statements.

Write-off policy

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Fund’s recovery methods foreclosing on collateral and the value of the collateral is such that there is no reasonable expectations of recovering in full.

ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH BALANCED FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

5 Investment income	2024	2023
	Kshs	Kshs
Call deposits interest	98,084	31,699
Treasury Bill Discount	6,417	12,163
Treasury Bond Interest	78,322	-
	182,823	43,862
6 Management Expenses		
Custody fees	29,325	29,775
Management fees	4,445	-
Corporate Trustees Fees	2,595	-
	36,365	29,775
<p>The custody fee of Kshs. 29,325 (2023: Kshs. 29,775), management fee of Kshs. 4,445 Corporate Trustee fee of Kshs. 2,595 was catered for by the administrator.</p>		
7 Financial Investments		
Treasury Bonds	545,000	-
Treasury Bills	-	290,287
Fixed & Call Deposits	575,000	458,000
	1,120,000	748,287
Treasury Bonds		
Opening Bal.	-	-
Purchases	534,935	-
Disposal	-	-
Revaluation	10,065	-
Discounted Interest receivable	40,891	-
Closing Bal.	585,891	-
Treasury Bills		
Opening Bal.	300,000	-
Accrued interest b/f	(9,713)	-
Purchases	193,584	387,837
Disposal	(483,870)	(97,550)
Discounted Interest receivable	-	9,713
Closing Bal.	-	300,000
Call deposits		
Opening Balance	465,546	-
Accrued interest b/f	(7,546)	-
Purchases	4,314,000	1,757,000
Disposals	(4,197,000)	(1,299,000)
Accrued Interest	5,932	7,546
Closing Balance	580,932	465,546

ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH BALANCED FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	Kshs	Kshs
8 Cash and Cash Equivalents		
SBM Bank - Collection	-	10,000
SBM Bank - Nominee	11,270	61,406
SBM Bank - Disbursement	295	-
	<u>11,565</u>	<u>71,406</u>

For the purpose of cashflow, the cash at Bank Balance includes cash at bank, Treasury bills and call deposits

Cash at bank	11,565	71,406
Call and fixed deposits	575,000	458,000
Treasury bills	-	290,287
	<u>586,565</u>	<u>819,693</u>

9 Receivables		
Treasury Bonds Interest Receivable	40,891	-
Treasury Bills Interest Receivable	-	9,713
Call Deposit Interest Receivable	5,932	7,546
	<u>46,823</u>	<u>17,259</u>

10 Unit holder liabilities

	No. of units	Value Kshs
As at 1 January 2023	-	-
Creations	75,054	930,365
Liquidations income available for distribution		43,862
Distribution paid in the year		(137,275)
As at 31 December 2023	<u>75,054</u>	<u>836,952</u>
As at 1 January 2024	75,054	836,952
Creations	73,755	1,574,383
Liquidations income available for distribution		192,887
Distribution paid in the year	(45,380)	(1,425,834)
As at 31 December 2024	<u>103,430</u>	<u>1,178,388</u>

11 Related party transactions

Enwealth Capital Unit Trust Scheme was established by Enwealth Capital Limited. Enwealth Capital Unit Trust Scheme is administered by Enwealth Capital Limited which is incorporated in Kenya. The ultimate parent of Enwealth Capital Limited is Enwealth Financial Services Limited.

Transactions with related parties were made at terms and conditions similar to those offered to other unit holders.

Unit Holder	2024		2023	
	No. Units	Amount Kshs	No. Units	Amount Kshs
Enwealth Financial Services Ltd	11,399	144,199	10,000	108,755
	<u>11,399</u>	<u>144,199</u>	<u>10,000</u>	<u>108,755</u>

ENWEALTH MONEY MARKET FUND

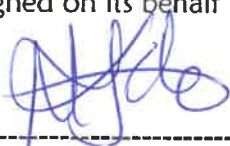
ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH MONEY MARKET FUND
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

		2024	2023
INCOME	Notes	Kshs	Kshs
Investment Income	5	89,350,059	6,314,866
Revaluation Gain/(Loss) on Treasury Bonds	6	10,767,636	(493,342)
Total Income		<u>100,117,695</u>	<u>5,821,524</u>
 EXPENSES			
Management Expenses	7	(3,165,120)	(289,377)
Administrative Expenses	8	(7,826,682)	(633,378)
Total Expenses		<u>(10,991,802)</u>	<u>(922,755)</u>
 Profit for the year		<u><u>89,125,893</u></u>	<u><u>4,898,769</u></u>

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH MONEY MARKET FUND
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024 Kshs	2023 Kshs
ASSETS			
Investments Balances			
Treasury Bonds	9	354,487,630	11,963,038
Fixed & Call Deposits	9	438,695,239	159,465,000
		<u>793,182,869</u>	<u>171,428,038</u>
Current Assets			
Cash and Cash Equivalents	10	775,863	577,422
Accounts receivable	11	40,254,040	5,099,493
		<u>41,029,903</u>	<u>5,676,915</u>
Total Assets		<u><u>834,212,772</u></u>	<u><u>177,104,953</u></u>
Unit Holder Balances	12	831,613,230	176,528,477
Accounts Payables	13	2,599,542	576,476
Total Liabilities		<u><u>834,212,772</u></u>	<u><u>177,104,953</u></u>

The financial statements on pages 46 to 58 were approved by the Corporate Trustee on 28/03 2025 and signed on its behalf by:



Corporate Trustee, Co-operative Bank of Kenya Ltd.



**ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH MONEY MARKET FUND
STATEMENT OF CHANGES IN UNIT HOLDER BALANCES
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Unit holder capital balances Kshs
As at 1 January 2023	-
Comprehensive income to unit holders:	
Profit for the year	4,898,769
Transactions with unit holders:	
Units purchased	191,918,947
Units liquidated	-
Distributions paid out in cash	(20,289,239)
Withholding tax on distributions	-
Total transactions with unit holders	<u>171,629,708</u>
As at 31 December 2023	<u><u>176,528,477</u></u>
As at 1 January 2024	176,528,477
Comprehensive income to unit holders:	
Profit for the year	89,125,893
Transactions with unit holders:	
Units purchased	951,022,092
Units liquidated	-
Distributions paid out in cash	(385,063,232)
Withholding tax on distributions	-
Total transactions with unit holders	<u>565,958,860</u>
As at 31 December 2024	<u><u>831,613,230</u></u>

ENWEALTH CAPITAL UNIT TRUST SCHEME

ENWEALTH MONEY MARKET FUND

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

		2024 Kshs	2023 Kshs
Operating Activities	Note		
Profit for the year		89,125,893	4,898,769
(Increase) in receivables		(35,154,547)	(5,099,493)
Increase in payables		2,023,066	576,476
Net Cash Flows generated from Operating Activities		55,994,412	375,752
Financing Activities			
Units purchased		951,022,092	191,918,947
Distribution paid		(385,063,232)	(20,289,239)
Net Cash used in financing activities		565,958,860	171,629,708
Net Cash Flows From Investing Activities			
Movement in Treasury bonds		(342,524,591)	(11,963,038)
Net Cash Flows (used in) Investing Activities		(342,524,591)	(11,963,038)
Cash and cash equivalents as at the start of year		160,042,422	-
Net changes in cash and cash equivalents		279,428,680	160,042,422
Cash & cash equivalents as at the end of year	10	439,471,102	160,042,422

ENWEALTH CAPITAL UNIT TRUST SCHEME

ENWEALTH MONEY MARKET FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 GENERAL INFORMATION

Enwealth Capital Unit Trust Scheme ('the fund') is a collective investment scheme which is registered under the Capital Markets Authority Act and is domiciled in Kenya. The Fund was established under a trust deed dated 24th October 2022. The address of its registered office is:

Enwealth Capital Limited
Morningside Office Park,
1st Floor, Suite D2, Ngong Road
P.O.Box 52840 - 00200
Nairobi, Kenya

2 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies adopted in the preparation of these financial statements are set out as below:

a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The financial statements are presented in Kenya Shillings (Shs).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the trustee to exercise its judgement in the process of applying the Fund's accounting policies. Areas involving a higher degree of judgement or complexity relate to classification of assets, determination of whether the assets are impaired and the tax status of the Fund.

b) Changes in accounting policy and disclosures

i) New and amended standards adopted

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on 1 January 2024 that would be expected to have a material impact on the Fund.

ii) New standards and interpretations not yet adopted

The Fund has not applied any new or revised standards and interpretations that have been published but are not yet effective for the year beginning 1 January 2024 and the trustee do not plan to apply any of them until they become effective. None of these is expected to have significant effect on the financial statements of the Fund.

iii) Early Adoption

The Fund did not early adopt any new standards and/or interpretation that are in issue but not yet effective.

ENWEALTH CAPITAL UNIT TRUST SCHEME

ENWEALTH MONEY MARKET FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

c) Revenue recognition

Interest income is recognized on a time proportion basis that takes into account the effective yield on the asset. Dividends are recognized as income in the year in which the right to receive payment is established.

d) Financial Instruments

Financial assets

(i) Classification and impairment of financial assets

The Fund classifies its financial assets into the following measurement categories:

- at fair value through profit or loss (FVPL); and
- at amortized cost.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The Fund recognizes cash at bank, fixed deposits and treasury bills at amortized cost

(ii) Recognition

Regular purchases and sales of financial assets are recognized on the trade-date, the date on which the Fund commits to purchase or sell the asset.

(iii) Measurement

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in investment income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/ (losses) together with foreign exchange gains and losses.

Assets measured at FVTPL are subsequently measured at their fair value, with gains or losses on remeasurement recognized in profit or loss.

(iv) Impairment

The Fund assesses on a forward-looking basis the expected credit loss associated with its financial instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk

ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH MONEY MARKET FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

d) Financial Instruments (continued)

(iv) Impairment (cont'd)

The impairment model applies to the following financial instruments:

- Treasury bills;
- Deposits with financial institutions; and
- Cash and bank balances.

The Fund recognizes loss allowance at an amount equal to either 12-month ECLs or lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument, whereas 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date.

- Financial instruments that are determined to have low credit risk at the reporting date. The Fund will consider a financial instrument to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment-grade'; and
- Other financial instruments for which credit risk has not increased significantly since initial recognition.

Measurement of expected credit losses

ECLs are a probability-weighted estimate of credit losses and will be measured as follows:

- financial assets that are not credit-impaired at the reporting date: the present value of all cash shortfalls — i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Fund expects to receive;
- financial assets that are credit-impaired at the reporting date: the difference between the gross carrying amount and the present value of estimated future cash flows;

An asset is credit-impaired if one or more events have occurred that have a detrimental impact on the estimated future cash flows of the asset.

Expected credit losses

Expected credit losses are computed as a product of the Probability of Default (PD), Loss Given Default (LGD) and the Exposure at Default (EAD).

$$ECL = PD \times LGD \times EAD$$

In applying the IFRS 9 impairment requirements, the Fund follows the general approach.

Under the general approach, at each reporting date, the Fund determines whether the financial asset is in one of the three stages below, to determine both the amount of ECL to recognize as well as how interest income should be recognized.

An expected credit loss model for deposits and call balances placed with banks will be based on the default rate assigned by global credit rating body S&P.

LGD is the magnitude of the likely loss if there is a default. The Fund estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties.

EAD represents the expected exposure in the event of a default. The Fund derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract, including amortization, and prepayments.

ENWEALTH CAPITAL UNIT TRUST SCHEME

ENWEALTH MONEY MARKET FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

c) Financial Instruments (continued)

(v) Financial liabilities

Financial liabilities are initially recognized at fair value and subsequently measured at amortized cost. Financial liabilities are derecognized when they have been redeemed or otherwise extinguished.

The Fund classifies all financial liabilities as subsequently measured at amortized cost.

(vi) Derecognition of financial instruments

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired
- the Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
- the Fund has transferred substantially all the risks and rewards of the asset, or
- the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

vii. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, there is a currently enforceable legal right to set off the recognized amounts and there is an intention either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

d) Distribution

All income arising from receipts of investment income is distributed to unit holders after provision for expenses and taxes. The unit holders have an option of taking their distributions in cash or having the distribution re-invested to form part of the unit holder capital balance.

e) Unit holder balances

Unit holder balances are redeemable on demand at an amount equal to a proportionate share of the unit portfolio's net asset value. The balances are carried at the redemption amount that is payable at the balance sheet date if the holder exercised their right to redeem the balances.

Unit holder balances are classified as equity.

f) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

ENWEALTH CAPITAL UNIT TRUST SCHEME

ENWEALTH MONEY MARKET FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

g) Taxation

The unit trust is registered under the Income Tax Act (Collective Investment Scheme Rules 2003). Whereas income tax including the payment of withholding tax on investment income is exempt as per the laws, the Unit Trust is yet to obtain an exemption certificate to solidify the same. However, distribution to Unit holders is not exempt from tax. With effect from September 2009 distributions (income less expenses) to unit holders are subjected to tax at current withholding tax rates (15% for interest and 5% for dividends) and are recognized in the statement of changes in unit holder balances

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The trustee also needs to exercise judgment in applying the Fund's accounting policies.

All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events.

(a) Measurement of the expected credit loss allowance

A number of significant judgements are required in applying the accounting requirement for measuring ECL, such as:

- Determining the appropriate business models and assessing the "solely payments of principal and interest (SPPI)" requirements for financial assets,
- Determining criteria for significant increase in credit risk,
- Choosing the appropriate models and assumptions for the measurement of ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

4 RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management

The Fund generates revenues for unit holders by investing in various income generating activities which involve trading in the stock exchange and trading in government securities. These activities expose the Fund to a variety of financial risks, including credit, liquidity risk and the effects of changes in debt and equity market prices and interest rates. The Fund's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance.

Risk management is carried out by the investment managers under direction of the Enwealth Capital Unit Trust Scheme Board. The Board works within policies approved by the Fund's Trustee. Investment managers review the market trends and information available to evaluate the potential exposures. They then arrive at strategies to mitigate against these risks. The Board provides the investment managers with written guidelines for appropriate investments. These guidelines are reviewed on a regular basis and are within the Collective Investment Scheme regulations issued by the Capital Markets Authority.

ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH MONEY MARKET FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

4 RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Liquidity risk

In accordance with the Fund's policy, the Investment Manager monitors the Fund's liquidity position on a daily basis and has developed a comprehensive history of the Fund's daily and/or periodic liquidity requirements. Guided by this history, the manager maintains sufficient cash and near cash investments to meet the day to day redemption requirements.

The table below illustrates the Fund's typical redemption history and cash/near cash holdings over the past one year:

The table below shows the Funds' investments in cash and near cash equivalents at 31 December 2024.

Item	2024 Kshs	2023 Kshs
Cash and bank balances	775,863	577,422
Cash on call & deposits maturing in less than 3 months	438,695,239	159,465,000
	<u>439,471,102</u>	<u>160,042,422</u>

Maturity Analysis of Financial Liabilities and Unit Holders Balances (all on demand)

Item	2024 Kshs	2023 Kshs
Unit holder balances	831,613,230	176,528,477
Current Liabilities	2,599,542	576,476
	<u>834,212,772</u>	<u>177,104,953</u>

Market risk

Price risk

The Investment Manager moderates this risk through a careful selection and diversification of securities and other financial instruments within specified limits. The Fund Manager conducts research on overall economic performance and determines probable sector performances and, therefore, asset allocation.

Foreign exchange risk

The Fund does not invest offshore and is therefore not exposed to foreign exchange risk.

Interest rate risk

The Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. The Fund has not invested in fixed interest rate financial instruments are government securities.

Credit risk

The Fund uses external credit risk gradings that reflect its assessment of the probability of defaults of individual counterparties. The Fund uses external rating models tailored to the various categories of counterparty. In addition, the models enable expert judgment from the Credit Risk Officer to be fed into the final internal credit rating for each exposure. This allows for the considerations which may not be captured as part of the other data input into the model.

ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH MONEY MARKET FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

4 RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Credit risk (Continued)

The credit grades are calibrated such that the risk of default increases exponentially at each higher risk grade. For example, this means that the difference in the PD between A and A- rating grade is lower than the difference in the PD between a B and B- rating grade.

The Funds' internal ratings scale and mapping of external ratings as supplemented by the Funds' own assessment through the use of internal rating tools are as follows:

Expected Credit loss measurement

IFRS 9 outlines a "three-stage" model for impairment based on changes in credit quality since initial recognition as summarized below:

- A financial instrument that is not credit impaired at initial recognition is classified in "Stage 1" and has its credit risk continuously monitored by the Fund.
- If a significant increase in credit risk ("SICR" since initial recognition is identified, the financial instrument is moved to "Stage 2" but is not yet deemed to be credit impaired.
- If the financial instrument is credit-impaired, the financial instrument is then moved to "Stage 3.
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stage 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.

A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward- looking information.

Maximum exposure to credit risk — Financial instruments subject to impairment

The following table contains an analysis of the maximum credit risk exposure from financial Investment balances

	2024	2023
	Kshs	Kshs
Fixed deposits	456,328,196	163,834,095
Treasury bonds	377,143,440	12,693,436
	<u>833,471,636</u>	<u>176,527,531</u>

The expected credit loss amounts arising are not material and have not been adjusted in the financial statements.

Capital management

The capital of the Fund is represented by unit holder balances. The amount of unit holder balances can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objectives when managing capital are to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders.

ENWEALTH CAPITAL UNIT TRUST SCHEME

ENWEALTH MONEY MARKET FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	Kshs	Kshs
5 Investment income		
Treasury Bonds Interest	34,447,547	987,564
Fixed & Call Deposits Interest	54,817,486	5,327,302
Gain on Sale of Treasury Bonds	85,026	-
	<u>89,350,059</u>	<u>6,314,866</u>
6 Unrealized income gain/loss		
Revaluation Gain/(Loss) on Treasury Bonds	10,767,636	493,342
	<u>10,767,636</u>	<u>493,342</u>
7 Management Expenses		
Custody Fees	639,514	77,997
Management Fees	2,525,606	211,380
	<u>3,165,120</u>	<u>289,377</u>
8 Administrative expense		
Administration Fees	6,568,066	489,140
Corporate Trustees Fees	1,258,501	136,438
Bank charges	115	7,800
	<u>7,826,682</u>	<u>633,378</u>
9 Fixed income Investments		
Treasury Bonds	354,487,630	11,963,039
Call Deposits	438,695,239	159,465,000
	<u>793,182,869</u>	<u>171,428,039</u>
Treasury Bonds		
Opening Balance	12,693,436	-
Accrued Interest brought forward	(730,398)	-
Purchase	346,650,794	12,456,381
Disposals	(14,893,839)	-
Accrued Interest	22,655,810	730,398
Revaluation (Loss)	10,767,636	(493,342)
Closing Balance	<u>377,143,440</u>	<u>12,693,436</u>
Fixed & Call Deposits		
Opening Balance	163,834,095	-
Accrued Interest brought forward	(4,369,095)	-
Purchase	2,104,918,580	228,285,000
Disposals	(1,825,688,341)	(68,820,000)
Accrued Interest	17,632,957	4,369,095
Closing Balance	<u>456,328,196</u>	<u>163,834,095</u>

ENWEALTH CAPITAL UNIT TRUST SCHEME

ENWEALTH MONEY MARKET FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
10 Cash and Cash Equivalents	Kshs	Kshs
SBM Bank - Collection	737,916	576,100
SBM Bank - Nominee	33,767	427
SBM Bank - Disbursement	4,180	895
	<u>775,863</u>	<u>577,422</u>
For the purpose of cashflow, the cash at Bank Balance includes cash at bank, call deposits and Fixed deposits		
Cash at bank	775,863	577,422
Call and fixed deposits	438,695,239	159,465,000
	<u>439,471,102</u>	<u>160,042,422</u>
11 Accounts Receivable		
Treasury Bonds Interest Receivable	22,655,810	730,398
Call Deposit Interest Receivable	17,598,230	4,369,095
	<u>40,254,040</u>	<u>5,099,493</u>
12 Unit Holder Balances	Units	Value Kshs
As at 1 January 2023	-	-
Creations	191,918,947	191,918,947
Liquidations	4,898,769	4,898,769
Distributions paid in the year	(20,289,239)	(20,289,239)
As at 31 December 2023	<u>176,528,477</u>	<u>176,528,477</u>
As at 1 January 2024	176,528,477	176,528,477
Creations	951,022,092	951,022,092
Liquidations	89,125,893	89,125,893
Distributions paid in the year	(385,063,232)	(385,063,232)
As at 31 December 2024	<u>831,613,230</u>	<u>831,613,230</u>
13 Accounts Payables		
Management Fees Payable	936,530	211,380
Custody Fees Payable	239,335	41,550
Administration Fees Payable	945,006	187,108
Corporate Trustees Fees Payable	478,671	136,438
	<u>2,599,542</u>	<u>576,476</u>

14 Events after the reporting period
There were no events after reporting date.

15 Contingent liabilities and provisions
There were no contingent liabilities as at 31 December 2024.

ENWEALTH DOLLAR MONEY MARKET FUND

ENWEALTH CAPITAL UNIT TRUST SCHEME
 ENWEALTH DOLLAR MONEY MARKET FUND
 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE YEAR ENDED 31 DECEMBER 2024

		2024 USD
INCOME	Notes	
Investment Income	5	13,333
Unrealized income loss	6	(1,044)
Total Income		<u>12,289</u>
EXPENSES		
Management Expenses	7	(1,353)
Administrative Expenses	8	(882)
Total Expenses		<u>(2,235)</u>
Profit for the year		<u>10,054</u>

ENWEALTH CAPITAL UNIT TRUST SCHEME
 ENWEALTH DOLLAR MONEY MARKET FUND
 STATEMENT OF FINANCIAL POSITION
 FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 USD
ASSETS		
Investment Balances		
Government Securities	9	59,786
Fixed & Call Deposits	9	217,539
		<u>277,325</u>
Current Assets		
Cash and other Cash Equivalents	10	49
Income Receivable	11	3,118
		<u>3,167</u>
Total Assets		<u><u>280,492</u></u>
Unit Holder Balances	12	278,366
Accounts Payables	13	2,126
Total Liabilities		<u><u>280,492</u></u>

The financial statements on pages 59 to 71 were approved by the Corporate Trustee on ...28/03... 2025 and signed on its behalf by:




Corporate Trustee, Co-operative Bank of Kenya Ltd.

ENWEALTH CAPITAL UNIT TRUST SCHEME
 ENWEALTH DOLLAR MONEY MARKET FUND
 STATEMENT OF CHANGES IN UNIT HOLDER BALANCES
 FOR THE YEAR ENDED 31 DECEMBER 2024

	Unit holder capital balances USD
As at 1 January 2024	-
Comprehensive income to unit holders:	
Profit for the year	10,054
Transactions with unit holders:	
Units purchased	336,202
Units liquidated	-
Distributions paid out in cash	(67,890)
Withholding tax on distributions	-
Total transactions with unit holders	<u>268,312</u>
As at 31 December 2024	<u><u>278,366</u></u>

ENWEALTH CAPITAL UNIT TRUST SCHEME
 ENWEALTH DOLLAR MONEY MARKET FUND
 STATEMENT OF CASHFLOWS
 FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 USD
Operating Activities		
Profit for the year		10,054
(Increase) in receivables		(3,118)
Increase in payables		2,126
Net Cash Flows generated from Operating Activities		<u>9,062</u>
Financing Activities		
Units purchased		336,202
Distribution paid		(67,890)
Net Cash used in financing activities		<u>268,312</u>
Net Cash Flows From Investing Activities		
Movement in Treasury bonds		(59,786)
Net Cash Flows (used in) Investing Activities		<u>(59,786)</u>
Cash and cash equivalents as at the start of year		-
Net changes in cash and cash equivalents		217,588
Cash and cash equivalents as at the end of year	10	<u>217,588</u>

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH DOLLAR MONEY MARKET FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1 GENERAL INFORMATION

Enwealth Capital Unit Trust Scheme ('the fund') is a collective investment scheme which is registered under the Capital Markets Authority Act and is domiciled in Kenya. The Fund was established under a trust deed dated 24th October 2022. The address of its registered office is:

Enwealth Capital Limited
Morningside Office Park,
1st Floor, Suite D2, Ngong Road
P.O.Box 52840 - 00200
Nairobi, Kenya

2 MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies adopted in the preparation of these financial statements are set out as below:

a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The financial statements are presented in United States Dollar (USD).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the trustee to exercise its judgement in the process of applying the Fund's accounting policies. Areas involving a higher degree of judgement or complexity relate to classification of assets, determination of whether the assets are impaired and the tax status of the Fund.

b) Changes in accounting policy and disclosures

i) New and amended standards adopted

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on 1 January 2024 that would be expected to have a material impact on the Fund.

ii) New standards and interpretations not yet adopted

The Fund has not applied any new or revised standards and interpretations that have been published but are not yet effective for the year beginning 1 January 2024 and the trustee do not plan to apply any of them until they become effective. None of these is expected to have significant effect on the financial statements of the Fund.

iii) Early Adoption

The Fund did not early adopt any new standards and/or interpretation that are in issue but not yet effective.

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH DOLLAR MONEY MARKET FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

c) Revenue recognition

Interest income is recognized on a time proportion basis that takes into account the effective yield on the asset. Dividends are recognized as income in the year in which the right to receive payment is established.

d) Financial Instruments

Financial assets

(i) Classification and impairment of financial assets

The Fund classifies its financial assets into the following measurement categories:

- at fair value through profit or loss (FVPL); and
- at amortized cost.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The Fund recognizes cash at bank, fixed deposits and treasury bills at amortized cost.

(ii) Recognition

Regular purchases and sales of financial assets are recognized on the trade-date, the date on which the Fund commits to purchase or sell the asset.

(iii) Measurement

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in investment income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other gains/ (losses) together with foreign exchange gains and losses.

Assets measured at FVTPL are subsequently measured at their fair value, with gains or losses on remeasurement recognized in profit or loss.

(iv) Impairment

The Fund assesses on a forward-looking basis the expected credit loss associated with its financial instruments carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk

The impairment model applies to the following financial instruments:

- Treasury bills;
- Deposits with financial institutions; and
- Cash and bank balances.

ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH DOLLAR MONEY MARKET FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

d) Financial Instruments (continued)

(iv) Impairment (cont')

The Fund recognizes loss allowance at an amount equal to either 12-month ECLs or lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument, whereas 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date.

- Financial instruments that are determined to have low credit risk at the reporting date. The Fund will consider a financial instrument to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment-grade'; and
- Other financial instruments for which credit risk has not increased significantly since initial recognition.

Measurement of expected credit losses

ECLs are a probability-weighted estimate of credit losses and will be measured as follows:

- financial assets that are not credit-impaired at the reporting date: the present value of all cash shortfalls — i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Fund expects to receive;
- financial assets that are credit-impaired at the reporting date: the difference between the gross carrying amount and the present value of estimated future cash flows;

An asset is credit-impaired if one or more events have occurred that have a detrimental impact on the estimated future cash flows of the asset.

Expected credit losses

Expected credit losses are computed as a product of the Probability of Default (PD), Loss Given Default (LGD) and the Exposure at Default (EAD).

$$ECL = PD \times LGD \times EAD$$

In applying the IFRS 9 impairment requirements, the Fund follows the general approach.

Under the general approach, at each reporting date, the Fund determines whether the financial asset is in one of the three stages below, to determine both the amount of ECL to recognize as well as how interest income should be recognized.

An expected credit loss model for deposits and call balances placed with banks will be based on the default rate assigned by global credit rating body S&P.

LGD is the magnitude of the likely loss if there is a default. The Fund estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties.

EAD represents the expected exposure in the event of a default. The Fund derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract, including amortization, and prepayments.

ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH DOLLAR MONEY MARKET FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

c) Financial Instruments (continued)

(v) Financial liabilities

Financial liabilities are initially recognized at fair value and subsequently measured at amortized cost. Financial liabilities are derecognized when they have been redeemed or otherwise extinguished.

The Fund classifies all financial liabilities as subsequently measured at amortized cost.

(vi) Derecognition of financial instruments

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired
- the Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
- the Fund has transferred substantially all the risks and rewards of the asset, or
- the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

vii. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, there is a currently enforceable legal right to set off the recognized amounts and there is an intention either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions.

d) Distribution

All income arising from receipts of investment income is distributed to unit holders after provision for expenses and taxes. The unit holders have an option of taking their distributions in cash or having the distribution re-invested to form part of the unit holder capital balance.

e) Unit holder balances

Unit holder balances are redeemable on demand at an amount equal to a proportionate share of the unit portfolio's net asset value. The balances are carried at the redemption amount that is payable at the balance sheet date if the holder exercised their right to redeem the balances.

Unit holder balances are classified as equity.

f) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

**ENWEALTH CAPITAL UNIT TRUST SCHEME
ENWEALTH DOLLAR MONEY MARKET FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

g) Taxation

The unit trust is registered under the Income Tax Act (Collective Investment Scheme Rules 2003). Whereas income tax including the payment of withholding tax on investment income is exempt as per the laws, the Unit Trust is yet to obtain an exemption certificate to solidify the same. However, distribution to Unit holders is not exempt from tax. With effect from September 2009 distributions (income less expenses) to unit holders are subjected to tax at current withholding tax rates (15% for interest and 5% for dividends) and are recognized in the statement of changes in unit holder balances.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. The trustee also needs to exercise judgment in applying the Fund's accounting policies.

All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events.

(a) Measurement of the expected credit loss allowance

A number of significant judgements are required in applying the accounting requirement for measuring ECL, such as:

- Determining the appropriate business models and assessing the "solely payments of principal and interest (SPPI)" requirements for financial assets,
- Determining criteria for significant increase in credit risk,
- Choosing the appropriate models and assumptions for the measurement of ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

4 RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management

The Fund generates revenues for unit holders by investing in various income generating activities which involve trading in the stock exchange and trading in government securities. These activities expose the Fund to a variety of financial risks, including credit, liquidity risk and the effects of changes in debt and equity market prices and interest rates. The Fund's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance.

Risk management is carried out by the investment managers under direction of the Enwealth Capital Unit Trust Scheme Board. The Board works within policies approved by the Fund's Trustee. Investment managers review the market trends and information available to evaluate the potential exposures. They then arrive at strategies to mitigate against these risks. The Board provides the investment managers with written guidelines for appropriate investments. These guidelines are reviewed on a regular basis and are within the Collective Investment Scheme regulations issued by the Capital Markets Authority.

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4 RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Liquidity risk

In accordance with the Fund's policy, the Investment Manager monitors the Fund's liquidity position on a daily basis and has developed a comprehensive history of the Fund's daily and/or periodic liquidity requirements. Guided by this history, the manager maintains sufficient cash and near cash investments to meet the day to day redemption requirements.

The table below shows the Funds' investments in cash and near cash equivalents at 31 December 2024.

Item	2024 USD
Cash and bank balances	49
Cash on call and deposits maturing in less than 3 months	217,539
	<u>217,588</u>

Maturity Analysis of Financial Liabilities and Unit Holders Balances (all on demand)

Item	2024 USD
Unit holder balances	278,366
Current Liabilities	2,126
	<u>280,492</u>

Market risk

Price risk

The Investment Manager moderates this risk through a careful selection and diversification of securities and other financial instruments within specified limits. The Fund Manager conducts research on overall economic performance and determines probable sector performances and, therefore, asset allocation.

Foreign exchange risk

The Fund has no financial instruments that would be subjected to the foreign exchange risk.

Interest rate risk

The Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. The Fund has not invested in fixed interest rate financial instruments are government securities.

Credit risk

The Fund uses external credit risk gradings that reflect its assessment of the probability of defaults of individual counterparties. The Fund uses external rating models tailored to the various categories of counterparty. In addition, the models enable expert judgment from the Credit Risk Officer to be fed into the final internal credit rating for each exposure. This allows for the considerations which may not be captured as part of the other data input into the model.

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4 RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Credit risk (Continued)

The credit grades are calibrated such that the risk of default increases exponentially at each higher risk grade. For example, this means that the difference in the PD between A and A- rating grade is lower than the difference in the PD between a B and B- rating grade.

The Funds' internal ratings scale and mapping of external ratings as supplemented by the Funds' own assessment through the use of internal rating tools are as follows:

Expected Credit loss measurement

IFRS 9 outlines a "three-stage" model for impairment based on changes in credit quality since initial recognition as summarized below:

- A financial instrument that is not credit impaired at initial recognition is classified in "Stage 1" and has its credit risk continuously monitored by the Fund.
- If a significant increase in credit risk ("SICR" since initial recognition is identified, the financial instrument is moved to "Stage 2" but is not yet deemed to be credit impaired.
- If the financial instrument is credit-impaired, the financial instrument is then moved to "Stage 3."
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stage 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.

A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward- looking information.

Maximum exposure to credit risk — Financial instruments subject to impairment

The following table contains an analysis of the maximum credit risk exposure from financial assets subject to impairment (i.e. amortized cost).

Investment balances	2024 USD
Fixed deposits	217,539
Offshore Treasury bonds	59,786
	<u>277,325</u>

The expected credit loss amounts arising are not material and have not been adjusted in the financial statements.

Capital management

The capital of the Fund is represented by unit holder balances. The amount of unit holder balances can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objectives when managing capital are to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders.

ENWEALTH CAPITAL UNIT TRUST SCHEME
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	2024
	USD
5 Investment income	
Call Deposit Interest	9,962
Offshore Interest Income	3,371
	<u>13,333</u>
6 Unrealized income gain/loss	
Revaluation loss on Offshore investments	1,044
	<u>1,044</u>
7 Management Expenses	
Custody Fees	273
Management Fees	1,080
	<u>1,353</u>
8 Administrative expense	
Administration Fees	333
Corporate Trustees Fees	549
	<u>882</u>
9 Financial Investments	
Call Deposit	217,539
Government Securities(Euro Bonds)	59,786
	<u>277,325</u>
Call Deposit	
Opening Balance	-
Purchase	882,108
Disposals	(664,569)
Accrued Interest	1,944
Revaluation (Loss)	-
Closing Balance	<u>219,483</u>
Government Bonds	
Opening Balance	-
Purchase	64,786
Disposals	(5,000)
Accrued Interest	2,197
Closing Balance	<u>61,983</u>
10 Cash and other Cash Equivalents	
SBM Bank - Nominee	47
SBM Bank - Disbursement	2
	<u>49</u>
For the purpose of cashflow, the cash at Bank Balance includes cash at bank, call deposits and Fixed deposits	
Cash at bank	49
Call and fixed deposits	217,539
	<u>217,588</u>

**ENWEALTH CAPITAL UNIT TRUST SCHEME
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	2024 USD
11 Income Receivable	
Offshore Interest Receivable	1,174
Call Deposit Interest Receivable	1,944
	<u>3,118</u>

	No. of units	Value USD
12 Unit Holder Balances		
As at 01 January 2024		-
Creations	336,202	336,202
Liquidations	10,054	10,054
Income available for distribution		-
Distributions paid in the year	(67,890)	(67,890)
Effect of changes in fair value of investments		-
As at 31 December 2024	<u>278,366</u>	<u>278,366</u>

13 Accounts Payables	
Management Fees Payable	1,080
Custody Fees Payable	273
Administration Fees Payable	224
Corporate Trustees Fees Payable	549
	<u>2,126</u>

14 Events after the reporting period

There were no events after reporting date.

15 Contingent liabilities and provisions

There were no contingent liabilities as at 31 December 2024.

16 Related party transactions

Enwealth Capital Unit Trust Scheme was established by Enwealth Capital Limited. Enwealth Capital Unit Trust Scheme is administered by Enwealth Capital Limited which is incorporated in Kenya. The ultimate parent of Enwealth Capital Limited is Enwealth Financial Services Limited.

Transactions with related parties were made at terms and conditions similar to those offered to other unit holders.

Unit Holder	No. Units	2024 USD Amount
Enwealth Financial Services Ltd	1,907	1,907
	<u>1,907</u>	<u>1,907</u>