

**FGAM Cells**

**Supplementary Information,  
Annual Report and Audited Financial Statements for**

**FGAM Global Cautious Fund IC Limited ("Cautious Cell")**

**FGAM Global Growth Fund IC Limited ("Growth Cell")**

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2017**

**FGAM Cells**

**Supplementary Information**

	<b>30.06.17</b>	<b>Cautious Cell 30.06.16</b>	<b>30.06.17</b>	<b>Growth Cell 30.06.16</b>
<b>1. NUMBER OF SHARES OUTSTANDING</b>				
Class A	19,105,451	20,306,896	29,875,857	30,447,278
Class B	7,442,868	6,610,948	16,890,891	16,403,238
<b>2. NET ASSET VALUE PER SHARE - USD</b>				
Class A	1.23	1.14	1.37	1.17
Class B	1.09	1.02	1.20	1.02
<b>3. HIGHEST/LOWEST PRICE - USD*</b>				
Class A	1.23 / 1.14	1.18 / 1.05	1.38 / 1.17	1.24 / 1.02
Class B	1.10 / 1.01	1.02 / 1.00	1.20 / 1.02	1.04 / 0.99
<b>4. NUMBER OF SHARES SUBSCRIBED</b>				
Class A	1,302,285	1,108,984	1,844,491	2,968,661
Class B	1,718,420	6,610,948	2,842,780	16,403,238
<b>5. NUMBER OF SHARES REDEEMED</b>				
Class A	2,503,730	8,886,617	2,415,912	17,801,625
Class B	886,500	-	2,355,127	-

\*The highest/lowest price is based on prices from prior year-end to current year-end, being 30.06.2017.

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2017**

**FGAM Cells**

**Portfolio Statements**

**FGAM Global Cautious Cell**

	<b>Holdings</b>	<b>Fair Value USD</b>	<b>% of Net Assets</b>
<b>Collective Investment Schemes 60.98% (2016: 60.64%)</b>			
<b>Commodity Funds</b>			
iShares Physical Gold ETC	36,746	899,175	2.85
<b>Total Commodity Funds</b>		<b>899,175</b>	<b>2.85</b>
<b>Equity Funds</b>			
Contrarius Global Equity Fund Ltd - Institutional	26,038	1,104,279	3.50
First State Global Listed Infrastructure Fund Class VI	60,917	743,794	2.36
FP Crux European Special Situations Fund	107,100	683,660	2.17
iShares Core MSCI Japan IMI UCITS ETF	18,300	701,622	2.22
Momentum Investment Funds SICAV-SIF - Momentum IF Global Equity Class M	23,885	2,726,232	8.63
Orbis Equity Funds - Global Equity Fund	5,968	1,331,266	4.22
Sands Capital Funds - Sands Capital Global Growth Fund	78,868	1,970,922	6.24
<b>Total Equity Funds</b>		<b>9,261,775</b>	<b>29.34</b>
<b>Fixed Income Funds</b>			
AXA IM Fixed Income Investment Strategies - US Short Duration High Yield	6,554	1,214,470	3.85
BlackRock Fixed Income Dublin Funds - US Corporate Bond Index Fund	229,190	3,617,993	11.47
Franklin Templeton Investment Funds - Templeton Global Return Fund	36,222	1,054,784	3.34
<b>Total Fixed Income Funds</b>		<b>5,887,247</b>	<b>18.66</b>
<b>Property Funds</b>			
Catalyst Global Real Estate Fund Class D	1,269,715	2,426,806	7.69
Third Avenue Real Estate Value Fund	20,037	770,922	2.44
<b>Total Property Funds</b>		<b>3,197,728</b>	<b>10.13</b>
<b>Total Collective Investment Schemes</b>		<b>19,245,925</b>	<b>60.98</b>
<b>Financial assets at fair value through profit or loss</b>		<b>19,245,925</b>	<b>60.98</b>
<b>Other Net Assets: 39.02% (2016: USD11,770,034; 39.36%)</b>		12,315,508	39.02
<b>Net Assets Attributable To Holders of Participating Redeemable Shares</b>		<b>31,561,433</b>	<b>100.00</b>

**Momentum Mutual Fund ICC Limited**  
**Annual Report and Audited Financial Statements for the year ended 30 June 2017**

**FGAM Cells**

**Portfolio Statements**

**FGAM Global Growth Cell**

	<b>Holdings</b>	<b>Fair Value USD</b>	<b>% of Net Assets</b>
<b>Collective Investment Schemes: 89.50% (2016: 89.96%)</b>			
<b>Equity Funds</b>			
Contrarius Global Equity Fund - Institutional	135,477	5,745,566	9.40
Fidelity Funds - Emerging Markets Fund Y-Acc	232,364	2,976,587	4.87
First State Global Listed Infrastructure Fund Class VI	266,855	3,258,297	5.33
FP Crux European Special Situations Fund	515,097	3,288,060	5.38
iShares Core MSCI Japan IMI UCITS ETF	80,005	3,067,392	5.02
Momentum Investment Funds SICAV-SIF - Momentum IF Global Equity Class M	104,259	11,900,075	19.46
Orbis Equity Funds - Global Equity Fund	27,699	6,178,712	10.11
Sands Capital Funds - Sands Capital Global Growth Fund	372,524	9,309,366	15.23
<b>Total Equity Funds</b>		<b>45,724,055</b>	<b>74.80</b>
<b>Fixed Income Funds</b>			
BlackRock Fixed Income Dublin Funds - US Corporate Bond Index Fund	89,920	1,419,477	2.32
Franklin Templeton Investment Funds - Templeton Global Return Fund	52,790	1,537,245	2.51
Insight Liquidity Funds - GBP Liquidity Fund	0.08	-	-
Insight Liquidity Funds - USD Liquidity Fund	0.11	-	-
<b>Total Fixed Income Funds</b>		<b>2,956,722</b>	<b>4.83</b>
<b>Property Funds</b>			
Catalyst Global Real Estate Fund Class D	2,381,679	4,552,104	7.45
Third Avenue Real Estate Value Fund	38,449	1,479,320	2.42
<b>Total Property Funds</b>		<b>6,031,424</b>	<b>9.87</b>
<b>Total Collective Investment Schemes</b>		<b>54,712,201</b>	<b>89.50</b>
<b>Financial assets at fair value through profit or loss</b>		<b>54,712,201</b>	<b>89.50</b>
<b>Other Net Assets: 10.50% (2016: USD5,259,835; 10.04%)</b>		6,416,360	10.50
<b>Net Assets Attributable To Holders of Participating Redeemable Shares</b>		<b>61,128,561</b>	<b>100.00</b>

**Momentum Mutual Fund ICC Limited**

**Annual Report and Audited Financial Statements for the year ended 30 June 2017**

**FGAM Cells**

**Statement of Financial Position**

	Notes	Cautious Cell		Growth Cell	
		30.06.17 USD	30.06.16 USD	30.06.17 USD	30.06.16 USD
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Financial assets at fair value through profit or loss	5	19,245,925	18,136,791	54,712,201	47,132,344
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	6	12,358,635	11,994,559	6,459,440	5,292,586
Due on issue of participating redeemable shares		-	-	17,698	34,690
Fair value of derivative financial instruments	7	12,387	-	-	-
Other receivables	8	359	2,009	359	3,541
		<u>12,371,381</u>	<u>11,996,568</u>	<u>6,477,497</u>	<u>5,330,817</u>
<b>Total assets</b>		<b><u>31,617,306</u></b>	<b><u>30,133,359</u></b>	<b><u>61,189,698</u></b>	<b><u>52,463,161</u></b>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Due on redemption of participating redeemable shares		17,698	192,823	-	20,000
Other payables	9	38,173	33,709	61,135	50,980
Liabilities (excluding net assets attributable to holders of participating redeemable shares)		55,871	226,532	61,135	70,980
Net assets attributable to holders of participating redeemable shares	2 & 11	31,561,433	29,906,825	61,128,561	52,392,179
<b>Total liabilities</b>		<b><u>31,617,304</u></b>	<b><u>30,133,357</u></b>	<b><u>61,189,696</u></b>	<b><u>52,463,159</u></b>
<b>SHAREHOLDERS' EQUITY</b>					
Management shares	10	2	2	2	2
<b>Total equity</b>		<b><u>2</u></b>	<b><u>2</u></b>	<b><u>2</u></b>	<b><u>2</u></b>
<b>Total equity and liabilities</b>		<b><u>31,617,306</u></b>	<b><u>30,133,359</u></b>	<b><u>61,189,698</u></b>	<b><u>52,463,161</u></b>
<b>Net asset value per participating redeemable share</b>					
Class A	11	1.23	1.14	1.37	1.17
Class B		1.09	1.02	1.20	1.02

The notes 1 to 15 on pages 46 to 54 form part of these financial statements.

These financial statements were authorised for issue by the Board of Directors on 1 December 2017 and signed on its behalf by:

Director



Director



**Momentum Mutual Fund ICC Limited**

**Annual Report and Audited Financial Statements for the year ended 30 June 2017**

**FGAM Cells**

**Statement of Comprehensive Income**

	Notes	Cautious Cell		Growth Cell	
		Year ended	Year ended	Year ended	Year ended
		30.06.17	30.06.16	30.06.17	30.06.16
		USD	USD	USD	USD
<b>INCOME</b>					
Deposit interest		7,493	(121)	3,236	(215)
Dividend income		11,038	28,689	50,948	54,370
Net realised gains on financial assets at fair value through profit or loss	5	464,496	792,967	1,138,013	1,634,258
Net unrealised gains/(losses) on financial assets at fair value through profit or loss	5	1,755,347	(1,239,336)	8,101,952	(3,433,059)
Net gains on derivatives		203,790	-	-	-
Other foreign exchange gains/(losses)		5,672	(18,899)	(4,487)	(27,785)
Other income		930	4,204	7,175	11,595
<b>Total net income/(loss)</b>		<b>2,448,766</b>	<b>(432,496)</b>	<b>9,296,837</b>	<b>(1,760,836)</b>
<b>EXPENSES</b>					
Investment Management fee	13	(214,824)	(225,827)	(386,496)	(374,640)
Manager and Administration fee	13	(70,636)	(86,238)	(130,190)	(143,336)
Audit fee		(8,775)	(7,226)	(8,775)	(7,481)
Custodian fee	13	(10,085)	(11,779)	(22,976)	(24,104)
Sundry expenses		(1,808)	(11,156)	(1,798)	(10,626)
<b>Total operating expenses</b>		<b>(306,128)</b>	<b>(342,226)</b>	<b>(550,235)</b>	<b>(560,187)</b>
<b>Net profit/(loss) before tax</b>		<b>2,142,638</b>	<b>(774,722)</b>	<b>8,746,602</b>	<b>(2,321,023)</b>
<b>Increase/(decrease) in net assets attributable to holders of participating redeemable shares from operations</b>		<b>2,142,638</b>	<b>(774,722)</b>	<b>8,746,602</b>	<b>(2,321,023)</b>

All items in the above statement derive from continuing operations. There is no difference between the increase/(decrease) in net assets attributable to holders of participating redeemable shares and comprehensive income.

The notes 1 to 15 on pages 46 to 54 form part of these financial statements.

**Momentum Mutual Fund ICC Limited**

**Annual Report and Audited Financial Statements for the year ended 30 June 2017**

**FGAM Cells**

**Statement of Cash Flows**

	Cautious Cell		Growth Cell	
	Year ended	Year ended	Year ended	Year ended
	30.06.17	30.06.16	30.06.17	30.06.16
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Increase/(decrease) in net assets attributable to holders of participating redeemable shares from operations	2,142,638	(774,722)	8,746,602	(2,321,023)
<b>ADJUSTMENT FOR:</b>				
Net realised gains on financial assets at fair value through profit or loss	(464,496)	(792,967)	(1,138,013)	(1,634,258)
Net unrealised (gains)/losses on financial assets at fair value through profit or loss	(1,755,347)	1,239,336	(8,101,952)	3,433,059
Net settlement on derivatives and other foreign exchange	(18,261)	25,215	3,435	53,405
Dividend income	(11,038)	(28,689)	(50,948)	(54,370)
Deposit interest	7,493	(121)	3,236	(215)
<b>Operating loss before working capital changes</b>	<b>(99,011)</b>	<b>(331,948)</b>	<b>(537,640)</b>	<b>(523,402)</b>
Net increase/(decrease) in other payables	4,464	(7,439)	10,155	(12,199)
Net decrease in other receivables	1,650	1,053	3,182	4,245
Purchase of financial assets at fair value through profit or loss	(3,391,481)	(12,716,914)	(10,732,719)	(18,146,027)
Sale of financial assets at fair value through profit or loss	4,502,190	14,995,411	12,392,827	20,244,883
Dividend received	11,038	28,689	50,948	54,370
Deposit interest	(7,493)	121	(3,236)	215
<b>Net cash generated from operating activities</b>	<b>1,021,357</b>	<b>1,968,972</b>	<b>1,183,517</b>	<b>1,622,085</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Cash received from issuance of participating redeemable shares	3,359,356	7,875,779	5,581,936	19,808,620
Cash paid on redemption of participating redeemable shares	(4,022,511)	(9,801,884)	(5,595,164)	(20,414,324)
<b>Net cash used in from financing activities</b>	<b>(663,155)</b>	<b>(1,926,105)</b>	<b>(13,228)</b>	<b>(605,704)</b>
<b>Net increase in cash and cash equivalents</b>	<b>358,202</b>	<b>42,868</b>	<b>1,170,289</b>	<b>1,016,381</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>11,994,559</b>	<b>11,976,906</b>	<b>5,292,586</b>	<b>4,329,610</b>
Exchange gains/(losses) on cash and cash equivalents	5,874	(25,215)	(3,435)	(53,405)
<b>Cash and cash equivalents at the end of the year</b>	<b>12,358,635</b>	<b>11,994,559</b>	<b>6,459,440</b>	<b>5,292,586</b>

The notes 1 to 15 on pages 46 to 54 form part of these financial statements.

**Momentum Mutual Fund ICC Limited**

**Annual Report and Audited Financial Statements for the year ended 30 June 2017**

**FGAM Cells**

**Statement of Changes in Net Assets Attributable to Holders of Participating Redeemable Shares**

	Notes	Cautious Cell		Growth Cell	
		Year ended	Year ended	Year ended	Year ended
		30.06.17	30.06.16	30.06.17	30.06.16
		<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
<b>Net assets attributable to holders of participating redeemable shares at the beginning of the year</b>		29,906,825	32,800,475	52,392,179	55,304,216
Proceeds receivable from issuance of participating redeemable shares	10	3,359,356	7,875,779	5,564,944	19,843,310
Payments on redemption of participating redeemable shares	10	(3,847,386)	(9,994,707)	(5,575,165)	(20,434,324)
Increase/(decrease) in net assets attributable to holders of participating redeemable shares from operations		2,142,638	(774,722)	8,746,602	(2,321,023)
<b>Net assets attributable to holders of participating redeemable shares at the end of the year</b>	11	<b><u>31,561,433</u></b>	<b><u>29,906,825</u></b>	<b><u>61,128,561</u></b>	<b><u>52,392,179</u></b>

The notes 1 to 15 on pages 46 to 54 form part of these financial statements.



## Momentum Mutual Fund ICC Limited

### Annual Report and Audited Financial Statements for the year ended 30 June 2017

#### FGAM Cells

#### Notes to the Financial Statements

##### 1. General information

The FGAM Global Cautious Fund IC Limited (the "Cautious Cell") and FGAM Global Growth Fund IC Limited (the "Growth Cell") (collectively the "FGAM Cells" or the "Cells"), with company numbers 46258 and 46254 respectively, are Guernsey registered, Limited Liability Incorporated Cells of Momentum Mutual Fund ICC Limited (the "Company").

The Cells continue to perform and aim to operate differing investment objectives, with the Cautious Cell investing with regards to an emphasis on capital preservation and the Growth Cell with the objective of capital appreciation. A significant proportion of the portfolios will be held in the base currency and while the portfolios will invest in cash and bond investments they will also invest into a wide range of other asset classes, in line with their investment objectives, including equities, alternative strategies and property and so some degree of volatility is to be expected.

The Cells intend to achieve their investment objective by investing globally, primarily via other collective investment schemes, in a wide range of asset classes including cash, bonds, property, alternative strategies and equities. The Cells are suitable for investors with a time horizon of between 3 years or longer for the Cautious Cell and 5 years or longer for the Growth Cell. The Cells may invest in the units of collective investment schemes which are also managed by the Manager or an associate of the Manager. The Cells may invest in forward foreign currency exchange contracts to reduce its currency exposure.

The Cells' investment activities are managed by Momentum Wealth International Limited (the "Manager"), with the investment management delegated to Momentum Global Investment Management Limited (the "Investment Manager") and Firstglobal Asset Management (Pty) Ltd (formerly known as Seven Seas Trading 132 (Pty) Ltd), acting as the Sub-Investment Manager.

The supplement for the Cell was amended on the 15 February 2017, for the following:

- the minimum redemption will no longer be expressed as a minimum number of participating shares but in USD terms (USD 10 or currency equivalent).

The Financial Statements were authorised for issue by the Board of Directors on 1 December 2017.

##### 2. Financial risk management

###### 2.1 Strategy in using financial instruments

The Cells' activities and investment objectives expose them to a variety of financial risks: market risk (which is made up of price risk, interest rate risk and currency risk), credit risk and liquidity risk. The Cells' overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Cells' financial performance. The following policies and procedures to mitigate risk have been in place throughout the year.

###### 2.2 Market price risk

Market price risk is the risk that the fair value of future cash flows will fluctuate because of changes in market prices, other than those arising from currency or interest rate risk. The Cells are subject to market price risk as they trade primarily in collective investment schemes. Through their investment in traded securities and instruments the Cells are subject to market movements in the equity and bond markets.

All investments present a risk of loss of capital. The Investment Manager moderates this risk through a careful selection of securities and other financial instruments within specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Cells' overall market positions are monitored on a daily basis by the Investment Manager and are reviewed on a quarterly basis by the Board of Directors.

The Cells' market price risk is managed through diversification of the investment portfolio by exposures to varying product categories, hence concentration of risk is minimised. At the year end the financial assets at fair value through profit or loss, which are subject to market price risk, were as follows:

	Cautious Cell				Growth Cell			
	2017		2016		2017		2016	
	Fair Value USD	% of net assets	Fair Value USD	% of net assets	Fair Value USD	% of net assets	Fair Value USD	% of net assets
Collective Investment Schemes	19,245,925	60.98	18,136,791	60.64	54,712,201	89.50	47,132,344	89.96
	<b>19,245,925</b>	<b>60.98</b>	<b>18,136,791</b>	<b>60.64</b>	<b>54,712,201</b>	<b>89.50</b>	<b>47,132,344</b>	<b>89.96</b>

The Cells' market price risk is affected by three main components: changes in actual market prices, interest rate and foreign currency movements. Interest rate and foreign currency exchange rate movements are covered in notes 2.3 and 2.5 respectively. If the market indexes increased or decreased by 10% with all other variables held constant, the increase or decrease respectively in net assets attributable to holders of participating redeemable shares would amount to:

	Cautious Cell		Growth Cell	
	2017	2016	2017	2016
	Change in fair value USD	Change in fair value USD	Change in fair value USD	Change in fair value USD
Collective Investment Schemes	1,924,593	1,813,679	5,471,220	4,713,234

###### 2.3 Interest rate risk

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

The majority of the Cells' financial assets and liabilities are non-interest bearing. As a result, the Cells are not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

The table below summarises the Cells' exposure to interest rate risks. It includes the Cells' assets and trading liabilities at fair values, all of which have contractual re-pricing or maturity dates within one month.

**Momentum Mutual Fund ICC Limited**

**Annual Report and Audited Financial Statements for the year ended 30 June 2017**

**FGAM Cells**

**Notes to the Financial Statements**

**2. Financial risk management (continued)**

**2.3 Interest rate risk (continued)**

As at 30 June	Cautious Cell		Growth Cell	
	2017	2016	2017	2016
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Net financial assets on which no interest is paid	19,202,798	17,912,266	54,669,121	47,099,593
Net floating rate financial assets	12,358,635	11,994,559	6,459,440	5,292,586

Should interest rates have increased by 100 basis points with all other variables remaining constant, the increase in the net assets attributable to participating redeemable shareholders would amount to approximately:

As at 30 June	Cautious Cell		Growth Cell	
	2017	2016	2017	2016
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
	123,586	119,946	64,594	52,926

A decrease of 50 basis points would have a minimal effect as interest received at year end was immaterial.

**2.4 Cash flow risk**

The Cells hold significant amounts of cash and cash equivalents at 30 June 2017 which were used to purchase investments post year end. The risk exposure to cash flow interest rate risk is deemed minimal.

**2.5 Currency risk**

Currency risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign currency exchange rates. Each Cell holds assets, including investments denominated in currencies other than their functional currency, USD ("US Dollars"), and therefore they are exposed to currency risk. The exposures are based on the currencies of the underlying assets in each Cell. Where the Cells' invest via Collective Investment Funds, the funds are treated as a single asset with its currency of exposure being assumed to be its reporting currency.

The table below summarises the Cells' exposure to currency risk:

As at 30 June	Cautious Cell		Growth Cell	
	2017	2016	2017	2016
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
EUR exposure	740,518	596,236	3,358,830	2,722,095
GBP exposure	626,456	106,789	157,733	172,496

In accordance with the Cells' policy, the Investment Manager monitors the Cells' currency position on a regular basis, and the Board of Directors reviews it periodically. The Cells have the ability to enter into forward foreign exchange contracts in an attempt to mitigate any significant currency risk, however to date the Investment Manager and Board of Directors have deemed that such contracts have not been necessary.

Should each Cells' functional currency have strengthened, or weakened, by 5% against other currencies to which it is exposed, and all other variables, including the price of all investments, had held constant, the net asset attributable to participating redeemable shareholders would have increased, or decreased, as follows:

As at 30 June	Cautious Cell		Growth Cell	
	2017	2016	2017	2016
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
EUR exposure	37,026	29,812	167,941	136,105
GBP exposure	31,323	5,339	7,887	8,625

**2.6 Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

There is a risk that an investee company may be unable to satisfy a valid redemption request made by a Cell. The Directors consider that the Investment Manager mitigates this risk by way of its investment process, as described in note 2.2. No such redemption problems have been encountered.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. Delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. Given the relatively short settlement period, and the high credit quality of the brokers used, the risk here is considered to be minimal.

The Cells manage their exposure to credit risk associated with cash deposits by selecting Northern Trust (Guernsey) Limited as the counterparty to hold all cash deposits for the Cells. The credit rating for Northern Trust Corporation from Standard and Poor's is A+. The credit rating from Moody's is A2.

The Cells' maximum exposure to credit risk is the carrying value of the assets on the Statement of Financial Position.

## Momentum Mutual Fund ICC Limited

### Annual Report and Audited Financial Statements for the year ended 30 June 2017

#### FGAM Cells

#### Notes to the Financial Statements

#### 2. Financial risk management (continued)

##### 2.7 Liquidity risk

Liquidity risk is the risk that the Cells will encounter difficulty in meeting obligations associated with their financial liabilities. The main liquidity risk is the risk that the Cells may be unable to recover funds invested through the usual redemption processes which may result in the Cells having insufficient funds to settle a transaction on the due date. Due to the nature of the Cells the majority of investments held are in marketable securities that are readily tradeable and have reported no warnings regarding their ability to process redemptions as normal.

Within each prospectus, the Cells have the ability to borrow to meet short term liquidity requirements, up to the value of 10% of the NAV of each Cell. To date the Cells have not had to enter into such arrangements.

The following table analyses the Cells' financial assets and financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Cautious Cell			Growth Cell	
	2017	2017	2016	2017	2016
	Less than 1 month	Between 1 and 12 months	Less than 1 month	Less than 1 month	Less than 1 month
	USD	USD	USD	USD	USD
Financial assets at fair value through profit or loss	19,245,925	-	18,136,791	54,712,201	47,132,344
Cash and cash equivalents	12,358,635	-	11,994,559	6,459,440	5,292,586
Fair value of derivative financial instruments	-	12,387	-	-	-
Due on issue of participating redeemable shares	-	-	-	17,698	34,690
Other receivables	357	-	2,007	357	3,539
Due on redemption of participating redeemable shares	(17,698)	-	(192,823)	-	(20,000)
Other payables	(38,173)	-	(33,709)	(61,135)	(50,980)
Net assets attributable to holders of participating redeemable shares	(31,561,433)	-	(29,906,825)	(61,128,561)	(52,392,179)
<b>Net liquidity position</b>	<b>(12,387)</b>	<b>12,387</b>	<b>-</b>	<b>-</b>	<b>-</b>

Participating redeemable shares are redeemed on demand at the holder's option. However the Board of Directors does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash flows, as holders of these instruments typically retain them for the medium to long term.

##### 2.8 Management of capital

The Board, with the assistance of the Investment Manager, manages the capital of the Cells in accordance with the investment objectives and policies. Each Cell's overall strategy remains unchanged.

The Cells have no externally imposed capital requirements.

##### 2.9 Fair value disclosure

In the opinion of the Directors, there are no material differences between the net asset values of the underlying funds and fair values of the financial assets and liabilities.

#### 3. Critical accounting estimates and judgements

The fair value of investments have been based on the listed market bid prices, or prices as supplied by the fund administrators of the Cells' underlying investments.

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined below.

The fair value of investments in Investee Funds that are not quoted in an active market is determined primarily by reference to the latest available redemption price of such units for each Investee Fund, as determined by the administrator of such Investee Fund. The Investment Manager may make adjustments to the reported net asset value of various Investee Funds based on considerations such as:

- the liquidity of the Investee Fund or its underlying investments;
- the value date of the net asset value provided;
- any restrictions on redemptions; and
- the basis of accounting and, in instances where the basis of accounting is other than fair value, fair valuation information provided by the Investee Fund's advisors.

The prices are reviewed by the Investment Manager on a periodic basis.

#### 4. Portfolio analysis

The Cells' portfolios are organised by focusing on the type of security held, and then secondarily by geographical analysis based on the location of the investment.

The Cells' operate using the main sector types which are disclosed in note 2.2 and the following main geographical areas:

	Cautious Cell		Growth Cell	
	2017	2016	2017	2016
	USD	USD	USD	USD
Bermuda	1,331,266	1,339,597	6,178,712	5,510,290
Channel Islands	3,531,085	3,825,959	10,297,670	9,897,592
Europe	13,699,914	12,418,595	34,947,758	29,071,721
United Kingdom	683,660	552,640	3,288,060	2,652,741
	<b>19,245,925</b>	<b>18,136,791</b>	<b>54,712,200</b>	<b>47,132,344</b>

The geographical segment for listed non-monetary financial assets is considered to be the place of primary listing and for non-listed financial assets where the underlying investment is domiciled.

**Momentum Mutual Fund ICC Limited**

**Annual Report and Audited Financial Statements for the year ended 30 June 2017**

**FGAM Cells**

**Notes to the Financial Statements**

**5. Financial assets at fair value through profit or loss**

	Cautious Cell		Growth Cell	
	2017	2016	2017	2016
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
<b>Financial assets at fair value through profit or loss:</b>				
Collective Investment Schemes	19,245,925	18,136,791	54,712,201	47,132,344
<b>Total financial assets at fair value through profit or loss</b>	<b>19,245,925</b>	<b>18,136,791</b>	<b>54,712,201</b>	<b>47,132,344</b>
<b>Movement on financial assets at fair value through profit or loss</b>				
Fair value of financial assets at the beginning of the year	18,136,791	20,861,657	47,132,344	51,395,001
Purchases of financial assets	3,391,481	12,716,914	10,732,719	17,781,027
Sales of financial assets	(4,502,190)	(14,995,411)	(12,392,827)	(20,244,883)
Realised gains on sales of financial assets	464,496	792,967	1,138,013	1,634,258
Movement in unrealised losses on revaluation of financial assets	1,755,347	(1,239,336)	8,101,952	(3,433,059)
Fair value of financial assets at the end of the year	<b>19,245,925</b>	<b>18,136,791</b>	<b>54,712,201</b>	<b>47,132,344</b>
Comprising:				
Cost at the end of the year	15,923,653	16,569,866	43,578,013	44,100,108
Unrealised gains at the end of the year	3,322,272	1,566,925	11,134,188	3,032,236
	<b>19,245,925</b>	<b>18,136,791</b>	<b>54,712,201</b>	<b>47,132,344</b>

IFRS 13 requires the Cells to classify fair value hierarchy that reflects the significance of the inputs used in making the measurements. The hierarchy has the following levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy, within which the fair value measurement is categorised in its entirety, is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the Board. The Board considers observable market data that is readily available, readily distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

The investments classified as Level 1 consist of financial assets that are actively traded with fair values readily available from recognised exchanges. The Level 1 hierarchy may also include investments in funds that are priced by the underlying administrator where the Company considers it to be the most advantageous market and would enter into transactions based on those prices.

The investments classified as Level 2 are investments in funds that are actively traded and priced less frequently than monthly but not greater than quarterly for which fair values are obtained from the underlying administrator or fund manager.

The investments classified as Level 3 are investments that are illiquid investments and investments that are traded but priced less frequently than quarterly.

The following tables present the Cells' financial assets and financial liabilities measured at fair value by level within the valuation hierarchy as of 30 June 2017 and 30 June 2016:

	Cautious Cell			Total
	Level 1	Level 2	Level 3	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
<b>30 June 2017</b>				
<b>Financial assets at fair value through profit or loss</b>				
Collective Investment Schemes	19,245,925	-	-	19,245,925
	<b>19,245,925</b>	-	-	<b>19,245,925</b>
	Growth Cell			Total
	Level 1	Level 2	Level 3	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
<b>30 June 2017</b>				
<b>Financial assets at fair value through profit or loss</b>				
Collective Investment Schemes	54,712,201	-	-	54,712,201
	<b>54,712,201</b>	-	-	<b>54,712,201</b>

**Momentum Mutual Fund ICC Limited**

**Annual Report and Audited Financial Statements for the year ended 30 June 2017**

**FGAM Cells**

**Notes to the Financial Statements**

**5. Financial assets at fair value through profit or loss (continued)**

	Cautious Cell			Total
	Level 1	Level 2	Level 3	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	
<b>30 June 2016</b>				
<b>Financial assets at fair value through profit or loss</b>				
Collective Investment Schemes	18,136,791	-	-	18,136,791
	<b>18,136,791</b>	-	-	<b>18,136,791</b>

	Growth Cell			Total
	Level 1	Level 2	Level 3	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	
<b>30 June 2016</b>				
<b>Financial assets at fair value through profit or loss</b>				
Collective Investment Schemes	47,132,344	-	-	47,132,344
	<b>47,132,344</b>	-	-	<b>47,132,344</b>

There were no movements or reclassifications of investments within the levels of the fair value hierarchy during the years ended 30 June 2017 and 30 June 2016.

**Assets and liabilities not carried at fair value but for which fair value is disclosed**

The following table analyses within the fair value hierarchy the Cells' assets and liabilities (by class) not measured at fair value at 30 June 2017 and 30 June 2016 but for which fair value is disclosed.

	Cautious Cell			Total
	Level 1	Level 2	Level 3	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	
<b>30 June 2017</b>				
<b>Assets</b>				
Cash and cash equivalents	12,358,635	-	-	12,358,635
Other receivables	-	359	-	359
Total	<b>12,358,635</b>	<b>359</b>	-	<b>12,358,994</b>

<b>Liabilities</b>				
Due on redemption of participating redeemable shares	-	17,698	-	17,698
Other payables	-	38,173	-	38,173
Net assets attributable to holders of participating redeemable shares	-	31,561,433	-	31,561,433
Total	-	<b>31,617,304</b>	-	<b>31,617,304</b>

	Cautious Cell			Total
	Level 1	Level 2	Level 3	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	
<b>30 June 2016</b>				
<b>Assets</b>				
Cash and cash equivalents	11,994,559	-	-	11,994,559
Other receivables	-	2,009	-	2,009
Total	<b>11,994,559</b>	<b>2,009</b>	-	<b>11,996,568</b>

<b>Liabilities</b>				
Due on redemption of participating redeemable shares	-	192,823	-	192,823
Other payables	-	33,709	-	33,709
Net assets attributable to holders of participating redeemable shares	-	29,906,825	-	29,906,825
Total	-	<b>30,133,357</b>	-	<b>30,133,357</b>

	Growth Cell			Total
	Level 1	Level 2	Level 3	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	
<b>30 June 2017</b>				
<b>Assets</b>				
Cash and cash equivalents	6,459,440	-	-	6,459,440
Due on issue of participating redeemable shares	-	17,698	-	17,698
Other receivables	-	359	-	359
Total	<b>6,459,440</b>	<b>18,057</b>	-	<b>6,477,497</b>

<b>Liabilities</b>				
Due on redemption of participating redeemable shares	-	-	-	-
Other payables	-	61,135	-	61,135
Net assets attributable to holders of participating redeemable shares	-	61,128,561	-	61,128,561
Total	-	<b>61,189,696</b>	-	<b>61,189,696</b>

**Momentum Mutual Fund ICC Limited**

**Annual Report and Audited Financial Statements for the year ended 30 June 2017**

**FGAM Cells**

**Notes to the Financial Statements**

**5. Financial assets at fair value through profit or loss (continued)**

Assets and liabilities not carried at fair value but for which fair value is disclosed (continued)

30 June 2016	Growth Cell			Total USD
	Level 1 USD	Level 2 USD	Level 3 USD	
<b>Assets</b>				
Cash and cash equivalents	5,292,586	-	-	5,292,586
Due on issue of participating redeemable shares	-	34,690	-	34,690
Other receivables	-	3,541	-	3,541
<b>Total</b>	<b>5,292,586</b>	<b>38,231</b>	<b>-</b>	<b>5,330,817</b>
<b>Liabilities</b>				
Due on redemption of participating redeemable shares	-	20,000	-	20,000
Other payables	-	50,980	-	50,980
Net assets attributable to holders of participating redeemable shares	-	52,392,179	-	52,392,179
<b>Total</b>	<b>-</b>	<b>52,463,159</b>	<b>-</b>	<b>52,463,159</b>

**6. Cash and cash equivalents**

For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise the following balances with original maturity of less than 90 days:

	Cautious Cell		Growth Cell	
	2017 USD	2016 USD	2017 USD	2016 USD
Cash at bank	12,358,635	11,994,559	6,459,440	5,292,586
<b>Total</b>	<b>12,358,635</b>	<b>11,994,559</b>	<b>6,459,440</b>	<b>5,292,586</b>

**7. Derivative Financial Instruments**

Forward foreign exchange contracts designated as at fair value through profit or loss as at 30 June 2017(30 June 2016: none):

30 June 2017	Amount EUR	Maturity Date	Contracted rate	Closing rate	Contract value USD	Market value USD	Financial assets / (liabilities) EUR	Financial assets / (liabilities) USD
Outstanding contract to buy EUR	3,969,000	29/09/2017	1.1424	1.1455	4,534,210	4,546,597	10,813	12,387
<b>Fair value of derivative financial instruments - asset</b>								<b>12,387</b>

During 30 June 2016, the Cell did not enter into any forward foreign exchange contracts.

**8. Other receivables**

	Cautious Cell		Growth Cell	
	2017 USD	2016 USD	2017 USD	2016 USD
Prepayments	357	1,152	357	1,152
Management fee rebate receivable	-	855	-	2,387
Management shares receivables	2	2	2	2
<b>Total</b>	<b>359</b>	<b>2,009</b>	<b>359</b>	<b>3,541</b>

**9. Other payables**

	Cautious Cell		Growth Cell	
	2017 USD	2016 USD	2017 USD	2016 USD
Management fee payable	8,706	7,514	14,468	11,781
Custodian fee payable	1,284	1,230	2,240	1,965
Investment Management fee payable	18,332	15,887	34,576	28,156
Audit fee payable	7,935	6,970	7,935	6,970
Accrued general expenses	1,916	2,108	1,916	2,108
<b>Total</b>	<b>38,173</b>	<b>33,709</b>	<b>61,135</b>	<b>50,980</b>

**10. Share capital**

Each Cell has an authorised share capital of 100 Management shares of USD1.00 each and an unlimited number of no par value participating redeemable shares.

**Management shares in issue**

	Cautious Cell		Growth Cell	
	2017 USD	2016 USD	2017 USD	2016 USD
Management shares	2	2	2	2

**Momentum Mutual Fund ICC Limited**

**Annual Report and Audited Financial Statements for the year ended 30 June 2017**

**FGAM Cells**

**Notes to the Financial Statements**

**10. Share capital (continued)**

	Cautious Cell		Growth Cell	
	Year ended 30.06.17	Year ended 30.06.16	Year ended 30.06.17	Year ended 30.06.16
<b>Participating Redeemable Shares in Issue - Class A</b>				
Balance at the beginning of the year	20,306,896	28,084,529	30,447,278	45,280,242
Issue of participating redeemable shares	1,302,285	1,108,984	1,844,491	2,968,661
Redemption of participating redeemable shares	(2,503,730)	(8,886,617)	(2,415,912)	(17,801,625)
<b>Balance at the end of the year</b>	<b>19,105,451</b>	<b>20,306,896</b>	<b>29,875,857</b>	<b>30,447,278</b>

	Cautious Cell		Growth Cell	
	Year ended 30.06.17	Year ended 30.06.16	Year ended 30.06.17	Year ended 30.06.16
<b>Participating Redeemable Shares in Issue - Class B</b>				
Balance at the beginning of the year	6,610,948	-	16,403,238	-
Issue of participating redeemable shares	1,718,420	6,610,948	2,842,780	16,403,238
Redemption of participating redeemable shares	(886,500)	-	(2,355,127)	-
<b>Balance at the end of the year</b>	<b>7,442,868</b>	<b>6,610,948</b>	<b>16,890,891</b>	<b>16,403,238</b>

	Cautious Cell		Growth Cell	
	Year ended 30.06.17	Year ended 30.06.16	Year ended 30.06.17	Year ended 30.06.16
<b>Participating Redeemable Share Capital Account</b>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Balance at the beginning of the year	28,501,638	30,620,566	50,486,138	51,077,152
Issue of participating redeemable shares	3,359,356	7,875,779	5,564,944	19,843,310
Redemption of participating redeemable shares	(3,847,386)	(9,994,707)	(5,575,165)	(20,434,324)
<b>Balance at the end of the year</b>	<b>28,013,608</b>	<b>28,501,638</b>	<b>50,475,917</b>	<b>50,486,138</b>

**11. Net asset value per participating redeemable share**

As at 30 June	NAV per share	Net assets		NAV per share	Net assets	
	2017	attributable	Shares in issue	2016	attributable	Shares in issue
	<u>USD</u>	<u>USD</u>	2017	<u>USD</u>	<u>USD</u>	2016
<b>Cautious Cell</b>						
Class A	1.23	23,432,339	19,105,451	1.14	23,195,243	20,306,896
Class B	1.09	8,129,094	7,442,868	1.02	6,711,582	6,610,948
Total		<u>31,561,433</u>	<u>26,548,319</u>		<u>29,906,825</u>	<u>26,917,844</u>
<b>Growth Cell</b>						
Class A	1.37	40,899,465	29,875,857	1.17	35,628,468	30,447,278
Class B	1.20	20,229,096	16,890,891	1.02	16,763,711	16,403,238
Total		<u>61,128,561</u>	<u>46,766,748</u>		<u>52,392,179</u>	<u>46,850,516</u>

**12. Dividends payable to participating redeemable shareholders**

The Directors are entitled to, but shall not be obliged to, distribute available income (consisting of all dividends, interest and other income) received net of expenses, of the Cautious Cell and Growth Cell by way of dividends. Such dividends, if declared will usually be paid in August and February. No dividends were paid during the year (2016: Nil).

**13. Related-party transactions**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

**13.1 Management and Administration fee**

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

Pursuant to the Management Agreement, the Manager shall be entitled to the payment of a fee (the "Management and Administration fee") for the services rendered in connection with the Cells. The Management and Administration fee will accrue as at each Valuation Point, based on the current aggregate valuation of Cells of the Company in respect of which the Distribution Partner is appointed (the "FGAM Cells") and is payable monthly in arrears. The Management and Administration fee will be borne by the FGAM Cells on a pro rata basis by reference to their respective NAVs.

The Management and Administration fee will be chargeable on a sliding scale as follows and is subject to a minimum annual fee of USD22,000 per cell.

**Momentum Mutual Fund ICC Limited**

**Annual Report and Audited Financial Statements for the year ended 30 June 2017**

**FGAM Cells**

**Notes to the Financial Statements**

**13. Related-party transactions (continued)**

**13.1 Management and Administration fee (continued)**

**Fee - % of NAV per annum - from 15 February 2016**

0.25%	<u>Cells NAV</u> Up to USD30m
0.23%	From USD30m to USD60m
0.20%	Above USD60m

**Fee - % of NAV per annum - up to 14 February 2016**

0.35%	<u>Cells NAV</u> Up to USD30m
0.30%	From USD30m to USD60m
0.25%	Above USD60m

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

Management and Administration fee charged during the year and accrued at year end:

	<b>Cautious Cell</b>		<b>Growth Cell</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b><u>USD</u></b>	<b><u>USD</u></b>	<b><u>USD</u></b>	<b><u>USD</u></b>
Charged during the year	70,636	86,238	130,190	143,336
Accrued at year end	8,706	7,514	14,468	11,781

Management fee rebate received during the year and accrued at year end:

	<b>Cautious Cell</b>		<b>Growth Cell</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b><u>USD</u></b>	<b><u>USD</u></b>	<b><u>USD</u></b>	<b><u>USD</u></b>
Received during the year	930	4,204	5,068	11,595
Accrued at year end	-	855	-	2,387

**13.2 Investment Management fee and Sub-Investment Management fee**

Pursuant to the Investment Management Agreement, Momentum Global Investment Management Limited "the Investment Manager" is entitled to receive a fee for services rendered in connection with the Cells. The Investment Management Fee will accrue as each valuation point, based on the current aggregate valuation of all cells of the Company and is payable monthly in arrears.

The Investment Manager has appointed Firstglobal Asset Management (Pty) Ltd (formerly known as Seven Seasons Trading 132 (Pty) Ltd), a South African registered company, as Sub-Investment Manager to the Cells the "Sub-Investment Manager". In respect of the Class A USD Shares the Sub-Investment Manager is entitled to receive a fee of 0.50% of the NAV of each Cell per annum the "Sub-Investment Management fee". In respect of the Class B USD Shares the Sub-Investment Manager is entitled to receive a fee of 0.30% of the NAV of each Cell per annum. In both cases the fee will be paid out of the fee received by the Investment Manager. The Sub-Investment Management fee will accrue as at each Valuation Point, based on the current valuation and is payable monthly in arrears.

In respect of the Class A USD Shares, the Investment Management fee will be chargeable on the sliding scale below, and will be borne by the Class A USD Shares on a pro rata basis by reference to the proportion of the NAV of the Class A USD Shares in the aggregate NAV of the FGAM Cells:

**Fee - % of NAV per annum - from 15 February 2016**

0.75%	<u>Cells NAV</u> Up to USD75m
0.70%	From USD75m to USD150m
0.65%	Above USD150m

In respect of the Class B USD Shares, the Investment Management fee will be chargeable on the sliding scale below, and will be borne by the Class B USD Shares on a pro rata basis by reference to the proportion of the NAV of the Class B USD Shares in the aggregate NAV of the FGAM Cells:

**Fee - % of NAV per annum - from 15 February 2016**

0.55%	<u>Cells NAV</u> Up to USD75m
0.50%	From USD75m to USD150m
0.45%	Above USD150m

Investment Management fees and Sub-Investment Management fees charged during the year and accrued at year end:

	<b>Cautious Cell</b>		<b>Growth Cell</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b><u>USD</u></b>	<b><u>USD</u></b>	<b><u>USD</u></b>	<b><u>USD</u></b>
Charged during the year	214,824	225,827	386,496	374,640
Accrued at year end	18,332	15,887	34,576	28,156



**Momentum Mutual Fund ICC Limited**

**Annual Report and Audited Financial Statements for the year ended 30 June 2017**

**FGAM Cells**

**Notes to the Financial Statements**

**13. Related-party transactions (continued)**

**13.3 Custodian fee**

Northern Trust (Guernsey) Limited was appointed to provide custodian services. The custodian is entitled to the payment of a fee chargeable on a sliding scale in respect of all Share Classes, as follows, subject to a minimum of USD8,000 per annum per Cell.

<u>Fee - % of NAV per annum</u>	<u>Cell NAV</u>
0.05%	Up to USD30m
0.04%	From USD30m to USD60m
0.03%	From USD60m to USD100m
0.02%	Above USD100m

Custodian fees charged and accrued at the year end:

	<u>Cautious Cell</u>		<u>Growth Cell</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Charged during the year	10,085	11,779	22,976	24,104
Accrued at year end	1,284	1,230	2,240	1,965

**13.4 Distribution Partner fee**

The Cells have appointed Firstglobal Asset Management (Pty) Ltd (formerly known as Seven Seasons Trading 132 (Pty) Ltd) as distribution partner to promote and market the Cells. With effect from 1 June 2011, no Distribution Partner fee is payable by the Cells.

**13.5 Board of Directors' remuneration**

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

The Directors have waived their right to a Directors' fee for 2017 (2016: Nil).

**14. Ultimate controlling party**

In the opinion of the Directors, on the basis of the shareholdings advised to them, each Cell has no ultimate controlling party.

**15. Reconciliation of published valuation to financial statements**

	<u>Cautious Cell</u>		<u>Growth Cell</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Net assets per financial statements	31,561,433	29,906,825	61,128,561	52,392,179
Adjustments:				
Adjustment in value of assets at financial assets at fair value through profit and loss	14,595	-	(31,250)	-
Net assets per published valuation	<u>31,576,028</u>	<u>29,906,825</u>	<u>61,097,311</u>	<u>52,392,179</u>
NAV per Class A share per published valuation	1.23	1.14	1.37	1.17
NAV per Class B share per published valuation	1.09	1.02	1.20	1.02
NAV per Class A share per financial statements	1.23	1.14	1.37	1.17
NAV per Class B share per financial statements	1.09	1.02	1.20	1.02

**16. Subsequent events**

These financial statements were approved for issuance by the Board on 1 December 2017. No significant subsequent events have occurred in respect of the Cells that are considered material to the understanding of these audited financial statements.