

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 2018

FGAM Cells

Supplementary Information

	30.06.18	Cautious Cell 30.06.17	30.06.18	Growth Cell 30.06.17
1. NUMBER OF SHARES OUTSTANDING				
Class A	20,103,355	19,105,451	29,345,333	29,875,857
Class B	8,986,309	7,442,868	19,220,529	16,890,891
2. NET ASSET VALUE PER SHARE - USD				
Class A	1.28	1.23	1.53	1.37
Class B	1.14	1.09	1.34	1.20
3. HIGHEST/LOWEST PRICE - USD*				
Class A	1.32 / 1.22	1.23 / 1.14	1.59 / 1.36	1.38 / 1.17
Class B	1.18 / 1.09	1.10 / 1.01	1.39 / 1.19	1.20 / 1.02
4. NUMBER OF SHARES SUBSCRIBED				
Class A	2,446,253	1,302,285	2,275,228	1,844,491
Class B	1,632,472	1,718,420	3,044,224	2,842,780
5. NUMBER OF SHARES REDEEMED				
Class A	1,448,349	2,503,730	2,805,752	2,415,912
Class B	89,031	886,500	714,586	2,355,127

*The highest/lowest price is based on prices from prior year-end to current year-end, being 30.06.2018.

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Portfolio Statements

FGAM Global Cautious Cell

	Holdings	Fair Value USD	% of Net Assets
Financial assets at fair value through profit or loss			
Collective Investment Schemes 97.97% (2017: 60.98%)			
Commodity Funds			
iShares Physical Gold ETF	43,398	1,066,940	2.96
Total Commodity Funds		1,066,940	2.96
Equity Funds			
Contrarius Global Equity Fund Ltd - Institutional	158,182	1,561,256	4.33
FP Crux European Special Situations Fund	107,518	715,415	1.98
iShares Core MSCI Japan IMI UCITS ETF	18,300	779,397	2.16
Maple-Brown Abbott Global Fund	639,079	793,544	2.20
Momentum Investment Funds SICAV-SIF - Momentum IF Global Equity Class M	23,521	3,132,289	8.69
Orbis Equity Funds - Global Equity Fund	5,438	1,309,399	3.63
Sands Capital Funds - Sands Capital Global Growth Fund	66,408	2,007,526	5.57
Total Equity Funds		10,298,826	28.56
Fixed Income Funds			
AXA IM Fixed Income Investment Strategies - US Short Duration High Yield	7,906	1,491,627	4.14
BlackRock Fixed Income Dublin Funds - US Corporate Bond Index Fund	89,158	1,394,520	3.87
Franklin Templeton Investment Funds - Templeton Global Return Fund	45,261	1,277,718	3.54
iShares \$ TIPS UCITS ETF	6,686	1,375,645	3.81
iShares \$ Treasury Bond 3-7yr UCITS ETF	8,574	1,049,286	2.92
iShares \$ Treasury Bond 7-10yr UCITS ETF	3,667	691,816	1.92
Total Fixed Income Funds		7,280,612	20.20
Money Market Funds			
Institutional Cash Series - Institutional Sterling Ultra Short Bond Fund	4,823	647,103	1.79
Institutional Cash Series - Institutional Ultra Short Bond Fund	53,624	6,238,754	17.30
Institutional Cash Series - Institutional US Dollar Ultra Short Bond Fund	59,524	6,149,097	17.05
Total Money Market Funds		13,034,954	36.14
Property Funds			
Catalyst Global Real Estate Fund Class D	767,714	1,559,150	4.32
Clearance Camino Fund	996,172	1,269,037	3.52
Third Avenue Real Estate Value Fund	20,110	820,416	2.28
Total Property Funds		3,648,603	10.12
Total Collective Investment Schemes		35,329,935	97.97
Financial assets at fair value through profit or loss		35,329,935	97.97
Other Net Assets: 2.03% (2017: USD12,315,508; 39.02%)		730,268	2.03
Net Assets Attributable To Holders of Participating Redeemable Shares		36,060,203	100.00

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Portfolio Statements

FGAM Global Growth Cell

	Holdings	Fair Value USD	% of Net Assets
Financial assets at fair value through profit or loss			
Collective Investment Schemes: 97.98% (2017: 89.50%)			
Equity Funds			
Contrarius Global Equity Fund - Institutional	736,704	7,271,266	10.31
Fidelity Funds - Emerging Markets Fund Y-Acc	232,364	3,255,424	4.62
FP Crux European Special Situations Fund	516,114	3,434,184	4.87
iShares Core MSCI Japan IMI UCITS ETF	80,005	3,407,413	4.83
Maple-Brown Abbott Global Fund	2,975,535	3,694,722	5.24
Momentum Investment Funds SICAV-SIF - Momentum IF Global Equity Class M	107,262	14,284,025	20.27
Orbis Equity Funds - Global Equity Fund	29,564	7,118,667	10.10
Sands Capital Funds - Sands Capital Global Growth Fund	354,981	10,731,065	15.23
Total Equity Funds		53,196,766	75.47
Fixed Income Funds			
BlackRock Fixed Income Dublin Funds - US Corporate Bond Index Fund	107,976	1,688,853	2.40
Franklin Templeton Investment Funds - Templeton Global Return Fund	65,094	1,837,603	2.61
Institutional Cash Series - Institutional US Dollar Ultra Short Bond Fund	49,868	5,151,536	7.31
Total Fixed Income Funds		8,677,992	12.32
Property Funds			
Catalyst Global Real Estate Fund Class D	1,522,231	3,091,500	4.39
Clearance Camino Fund	1,974,402	2,515,219	3.57
Third Avenue Real Estate Value Fund	38,589	1,574,294	2.23
Total Property Funds		7,181,013	10.19
Total Collective Investment Schemes		69,055,771	97.98
Financial assets at fair value through profit or loss		69,055,771	97.98
Other Net Assets: 2.02% (2017: USD6,416,360; 10.50%)		1,425,721	2.02
Net Assets Attributable To Holders of Participating Redeemable Shares		70,481,492	100.00

Momentum Mutual Fund ICC Limited

Annual Report and Audited Financial Statements for the year ended 30 June 2018


FGAM Cells


Statement of Financial Position

	Notes	Cautious Cell		Growth Cell	
		30.06.18 USD	30.06.17 USD	30.06.18 USD	30.06.17 USD
ASSETS					
NON-CURRENT ASSETS					
Financial assets at fair value through profit or loss	5	35,329,935	19,245,925	69,055,771	54,712,201
CURRENT ASSETS					
Cash and cash equivalents	6	383,988	12,358,635	1,531,020	6,459,440
Due on issue of participating redeemable shares		-	-	-	17,698
Securities sold receivable		395,854	-	-	-
Fair value of derivative financial instruments	7	-	12,387	-	-
Other receivables	8	297	359	297	359
		<u>780,139</u>	<u>12,371,381</u>	<u>1,531,317</u>	<u>6,477,497</u>
Total assets		<u>36,110,074</u>	<u>31,617,306</u>	<u>70,587,088</u>	<u>61,189,698</u>
LIABILITIES					
CURRENT LIABILITIES					
Due on redemption of participating redeemable shares		9,000	17,698	38,095	-
Other payables	9	40,869	38,173	67,499	61,135
Liabilities (excluding net assets attributable to holders of participating redeemable shares)		49,869	55,871	105,594	61,135
Net assets attributable to holders of participating redeemable shares	2 & 11	36,060,203	31,561,433	70,481,492	61,128,561
Total liabilities		<u>36,110,072</u>	<u>31,617,304</u>	<u>70,587,086</u>	<u>61,189,696</u>
SHAREHOLDERS' EQUITY					
Management shares	10	2	2	2	2
Total equity		<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
Total equity and liabilities		<u>36,110,074</u>	<u>31,617,306</u>	<u>70,587,088</u>	<u>61,189,698</u>
Net asset value per participating redeemable share					
Class A	11	1.28	1.23	1.53	1.37
Class B		1.14	1.09	1.34	1.20

The notes 1 to 16 on pages 51 to 59 form part of these financial statements.

These financial statements were authorised for issue by the Board of Directors on 5 December 2018 and signed on its behalf by:


Director


Director

Momentum Mutual Fund ICC Limited

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FGAM Cells

Statement of Comprehensive Income

	Notes	Cautious Cell		Growth Cell	
		Year ended 30.06.18	Year ended 30.06.17	Year ended 30.06.18	Year ended 30.06.17
		<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
INCOME					
Deposit interest		10,092	7,493	5,240	3,236
Dividend income		23,034	11,038	57,332	50,948
Net realised gains on financial assets at fair value through profit or loss	5	1,739,978	464,496	5,898,542	1,138,013
Net unrealised (losses)/gains on financial assets at fair value through profit or loss	5	(113,546)	1,755,347	1,811,051	8,101,952
Net gains on derivatives		177,222	203,790	-	-
Other foreign exchange (losses)/gains		(19,872)	5,672	(10,821)	(4,487)
Other income	13	-	930	-	7,175
Total net income		1,816,908	2,448,766	7,761,344	9,296,837
EXPENSES					
Audit fee		(9,223)	(8,775)	(9,223)	(8,775)
Custodian fee	13	(15,411)	(10,085)	(29,505)	(22,976)
Investment Management fee	13	(238,614)	(214,824)	(460,159)	(386,496)
Management and Administration fee	13	(74,323)	(70,636)	(148,172)	(130,190)
Sundry expenses		(8,933)	(1,808)	(8,943)	(1,798)
Total operating expenses		(346,504)	(306,128)	(656,002)	(550,235)
Net profit before tax		1,470,404	2,142,638	7,105,342	8,746,602
Increase in net assets attributable to holders of participating redeemable shares from operations		1,470,404	2,142,638	7,105,342	8,746,602

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

The notes 1 to 16 on pages 51 to 59 form part of these financial statements.

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FGAM Cells

Statement of Cash Flows

	Cautious Cell		Growth Cell	
	Year ended	Year ended	Year ended	Year ended
	30.06.18	30.06.17	30.06.18	30.06.17
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
CASH FLOW FROM OPERATING ACTIVITIES				
Increase in net assets attributable to holders of participating redeemable shares from operations	1,470,404	2,142,638	7,105,342	8,746,602
ADJUSTMENT FOR:				
Net realised gains on financial assets at fair value through profit or loss	(1,739,978)	(464,496)	(5,898,542)	(1,138,013)
Net unrealised losses/(gains) on financial assets at fair value through profit or loss	113,546	(1,755,347)	(1,811,051)	(8,101,952)
Net settlement on derivatives and other foreign exchange	32,259	(18,261)	10,821	3,435
Dividend income	(23,034)	(11,038)	(57,332)	(50,948)
Deposit interest	(10,092)	(7,493)	(5,240)	(3,236)
Operating loss before working capital changes	(156,895)	(113,997)	(656,002)	(544,112)
Net decrease in other receivables	62	1,650	62	3,182
Net increase in other payables	2,696	4,464	6,364	10,155
Purchase of financial assets at fair value through profit or loss	(21,620,156)	(3,391,481)	(22,712,907)	(10,732,719)
Sale of financial assets at fair value through profit or loss	6,766,724	4,502,190	16,078,930	12,392,827
Dividend received	23,034	11,038	57,332	50,948
Deposit interest	10,092	7,493	5,240	3,236
Net cash (used in)/generated from operating activities	(14,974,443)	1,021,357	(7,220,981)	1,183,517
CASH FLOW FROM FINANCING ACTIVITIES				
Cash received from issuance of participating redeemable shares	4,962,850	3,359,356	7,328,319	5,581,936
Cash paid on redemption of participating redeemable shares	(1,943,182)	(4,022,511)	(5,024,937)	(5,595,164)
Net cash generated from/(used in) financing activities	3,019,668	(663,155)	2,303,382	(13,228)
Net (decrease)/increase in cash and cash equivalents	(11,954,775)	358,202	(4,917,599)	1,170,289
Cash and cash equivalents at the beginning of the year	12,358,635	11,994,559	6,459,440	5,292,586
Exchange (losses)/gains on cash and cash equivalents	(19,872)	5,874	(10,821)	(3,435)
Cash and cash equivalents at the end of the year	383,988	12,358,635	1,531,020	6,459,440

The notes 1 to 16 on pages 51 to 59 form part of these financial statements.

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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
		30.06.18	30.06.17	30.06.18	30.06.17
		<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Net assets attributable to holders of participating redeemable shares at the beginning of the year		31,561,433	29,906,825	61,128,561	52,392,179
Proceeds receivable from issuance of participating redeemable shares	10	4,962,850	3,359,356	7,310,621	5,564,944
Payments on redemption of participating redeemable shares	10	(1,934,484)	(3,847,386)	(5,063,032)	(5,575,164)
Increase in net assets attributable to holders of participating redeemable shares from operations		1,470,404	2,142,638	7,105,342	8,746,602
Net assets attributable to holders of participating redeemable shares at the end of the year	11	<u>36,060,203</u>	<u>31,561,433</u>	<u>70,481,492</u>	<u>61,128,561</u>

The notes 1 to 16 on pages 51 to 59 form part of these financial statements.

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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 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 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 their 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, acting as the Sub-Investment Manager.

The supplements for the Cells were amended on 1 February 2018, the effective date, for the following:

- the reference to the FSB Board Notice 569 has been amended to the FSB Board Notice 90 of 2014 Chapter VI;
- the Cells are not permitted to enter into any form of borrowing or loan arrangement with other cells of the Company nor other collective investment schemes of the Manager;
- the proceeds of redemptions will change from being paid to investors within 30 business days to within 5 business days after the relevant dealing day; and
- the Investment Management fee was reduced to the new sliding scale which can be found in note 13.2.

The Financial Statements were authorised for issue by the Board of Directors on 5 December 2018.

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, are as follows:

	Cautious Cell				Growth Cell			
	2018		2017		2018		2017	
	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	35,329,935	97.97	19,245,925	60.98	69,055,771	97.98	54,712,201	89.50
	35,329,935	97.97	19,245,925	60.98	69,055,771	97.98	54,712,201	89.50

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 indices 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	
	2018	2017	2018	2017
	Change in fair value USD	Change in fair value USD	Change in fair value USD	Change in fair value USD
Collective Investment Schemes	3,532,994	1,924,593	6,905,577	5,471,220

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.

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Notes to the Financial Statements

2. Financial risk management (continued)

2.3 Interest rate risk (continued)

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.

As at 30 June	Cautious Cell		Growth Cell	
	2018	2017	2018	2017
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Net financial assets on which no interest is paid	35,676,215	19,202,798	68,950,472	54,669,121
Net floating rate financial assets	383,988	12,358,635	1,531,020	6,459,440

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	
	2018	2017	2018	2017
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Net floating rate financial assets	3,840	123,586	15,310	64,594

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 a limited amount of cash and cash equivalents that expose the Cells to cash flow interest rate risk. The risk exposure here 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, 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	
	2018	2017	2018	2017
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
EUR exposure	8,263,819	740,518	6,015,467	3,358,830
GBP exposure	638,906	626,456	159,825	157,733

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 Cell's 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	
	2018	2017	2018	2017
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
EUR exposure	413,191	37,026	300,773	167,941
GBP exposure	31,945	31,323	7,991	7,887

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. Northern Trust (Guernsey) Limited is wholly owned subsidiary of the Northern Trust Corporation. 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.

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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	
	2018	2017	2017	2018
	Less than 1 month USD	Between 1 and 12 months USD	Less than 1 month USD	Less than 1 month USD
Financial assets at fair value through profit or loss	35,329,935	-	19,245,925	69,055,771
Cash and cash equivalents	383,988	-	12,358,635	1,531,020
Due on issue of participating redeemable shares	-	-	-	-
Securities sold receivable	395,854	-	-	-
Fair value of derivative financial instruments	-	12,387	-	-
Other receivables	295	-	357	295
Due on redemption of participating redeemable shares	(9,000)	-	(17,698)	(38,095)
Other payables	(40,869)	-	(38,173)	(67,499)
Net assets attributable to holders of participating redeemable shares	(36,060,203)	-	(31,561,433)	(70,481,492)
Net liquidity position	-	12,387	(12,387)	-

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. The Cells' 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 assets and fair values of the financial assets and liabilities.

3. Critical accounting estimates and judgements

The fair value of investments has 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	
	2018	2017	2018	2017
	USD	USD	USD	USD
Bermuda	1,309,399	1,331,266	7,118,667	6,178,712
Channel Islands	2,828,187	3,531,085	5,606,719	10,297,670
Europe	30,476,934	13,699,914	52,896,201	34,947,758
United Kingdom	715,415	683,660	3,434,184	3,288,060
	35,329,935	19,245,925	69,055,771	54,712,200

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.

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5. Financial assets at fair value through profit or loss

	Cautious Cell		Growth Cell	
	2018	2017	2018	2017
	USD	USD	USD	USD
Financial assets at fair value through profit or loss:				
Collective Investment Schemes	35,329,935	19,245,925	69,055,771	54,712,201
Total financial assets at fair value through profit or loss	35,329,935	19,245,925	69,055,771	54,712,201
Movement on financial assets at fair value through profit or loss				
Fair value of financial assets at the beginning of the year	19,245,925	18,136,791	54,712,201	47,132,344
Purchases of financial assets	21,620,156	3,391,481	22,712,907	10,732,719
Sales of financial assets	(7,162,578)	(4,502,190)	(16,078,930)	(12,392,827)
Realised gains on sales of financial assets	1,739,978	464,496	5,898,542	1,138,013
Movement in unrealised (losses)/gains on revaluation of financial assets	(113,546)	1,755,347	1,811,051	8,101,952
Fair value of financial assets at the end of the year	35,329,935	19,245,925	69,055,771	54,712,201
Comprising:				
Cost at the end of the year	32,121,209	15,923,653	56,110,532	43,578,013
Unrealised gains at the end of the year	3,208,726	3,322,272	12,945,239	11,134,188
	35,329,935	19,245,925	69,055,771	54,712,201

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 2018 and 30 June 2017:

	Cautious Cell			Total
	Level 1	Level 2	Level 3	
	USD	USD	USD	
30 June 2018				
Financial assets at fair value through profit or loss				
Collective Investment Schemes	35,329,935	-	-	35,329,935
	35,329,935	-	-	35,329,935
	Growth Cell			Total
Level 1	Level 2	Level 3		
USD	USD	USD		
30 June 2018				
Financial assets at fair value through profit or loss				
Collective Investment Schemes	69,055,771	-	-	69,055,771
	69,055,771	-	-	69,055,771

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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>	
30 June 2017				
Financial assets at fair value through profit or loss				
Collective Investment Schemes	19,245,925	-	-	19,245,925
	<u>19,245,925</u>	<u>-</u>	<u>-</u>	<u>19,245,925</u>

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

There were no movements or reclassifications of investments within the levels of the fair value hierarchy during the years ended 30 June 2018 and 30 June 2017.

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 2018 and 30 June 2017 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>	
30 June 2018				
Assets				
Cash and cash equivalents	383,988	-	-	383,988
Securities sold receivable	-	395,854	-	395,854
Other receivables	-	297	-	297
Total	<u>383,988</u>	<u>396,151</u>	<u>-</u>	<u>780,139</u>

Liabilities				
Due on redemption of participating redeemable shares	-	9,000	-	9,000
Other payables	-	40,869	-	40,869
Net assets attributable to holders of participating redeemable shares	-	36,060,203	-	36,060,203
Total	<u>-</u>	<u>36,110,072</u>	<u>-</u>	<u>36,110,072</u>

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

Liabilities				
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	<u>-</u>	<u>31,617,304</u>	<u>-</u>	<u>31,617,304</u>

	Growth Cell			Total
	Level 1	Level 2	Level 3	
	<u>USD</u>	<u>USD</u>	<u>USD</u>	
30 June 2018				
Assets				
Cash and cash equivalents	1,531,020	-	-	1,531,020
Other receivables	-	297	-	297
Total	<u>1,531,020</u>	<u>297</u>	<u>-</u>	<u>1,531,317</u>

Liabilities				
Due on redemption of participating redeemable shares	-	38,095	-	38,095
Other payables	-	67,499	-	67,499
Net assets attributable to holders of participating redeemable shares	-	70,481,492	-	70,481,492
Total	<u>-</u>	<u>70,587,086</u>	<u>-</u>	<u>70,587,086</u>

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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 2017	Growth Cell			Total
	Level 1	Level 2	Level 3	
Assets	USD	USD	USD	USD
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	6,459,440	18,057	-	6,477,497
Liabilities				
Other payables	-	61,135	-	61,135
Net assets attributable to holders of participating redeemable shares	-	61,128,561	-	61,128,561
Total	-	61,189,696	-	61,189,696

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	
	2018	2017	2018	2017
	USD	USD	USD	USD
Cash at bank	383,988	12,358,635	1,531,020	6,459,440
	383,988	12,358,635	1,531,020	6,459,440

7. Derivative Financial Instruments

There were no forward foreign exchange contracts open at 30 June 2018.

Forward foreign exchange contracts designated as at fair value through profit or loss as at 30 June 2017:

30 June 2017	Amount	Maturity Date	Contracted rate	Closing rate	Contract value	Market value	Financial assets	Financial assets
	EUR				USD	USD	EUR	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
Fair value of derivative financial instruments - asset								12,387

8. Other receivables

	Cautious Cell		Growth Cell	
	2018	2017	2018	2017
	USD	USD	USD	USD
Prepayments	295	357	295	357
Management shares receivables	2	2	2	2
	297	359	297	359

9. Other payables

	Cautious Cell		Growth Cell	
	2018	2017	2018	2017
	USD	USD	USD	USD
Management fee payable	7,110	8,706	13,304	14,468
Custodian fee payable	1,392	1,284	2,425	2,240
Investment Management fee payable	20,866	18,332	40,270	34,576
Audit fee payable	8,492	7,935	8,492	7,935
Sundry expense payable	3,009	1,916	3,008	1,916
	40,869	38,173	67,499	61,135

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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	
	2018	2017	2018	2017
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Management shares	2	2	2	2

	Cautious Cell		Growth Cell	
	Year ended	Year ended	Year ended	Year ended
	30.06.18	30.06.17	30.06.18	30.06.17
Participating Redeemable Shares in Issue - Class A				
Balance at the beginning of the year	19,105,451	20,306,896	29,875,857	30,447,278
Issue of participating redeemable shares	2,446,253	1,302,285	2,275,228	1,844,491
Redemption of participating redeemable shares	(1,448,349)	(2,503,730)	(2,805,752)	(2,415,912)
Balance at the end of the year	20,103,355	19,105,451	29,345,333	29,875,857

	Cautious Cell		Growth Cell	
	Year ended	Year ended	Year ended	Year ended
	30.06.18	30.06.17	30.06.18	30.06.17
Participating Redeemable Shares in Issue - Class B				
Balance at the beginning of the year	7,442,868	6,610,948	16,890,891	16,403,238
Issue of participating redeemable shares	1,632,472	1,718,420	3,044,224	2,842,780
Redemption of participating redeemable shares	(89,031)	(886,500)	(714,586)	(2,355,127)
Balance at the end of the year	8,986,309	7,442,868	19,220,529	16,890,891

	Cautious Cell		Growth Cell	
	Year ended	Year ended	Year ended	Year ended
	30.06.18	30.06.17	30.06.18	30.06.17
Participating Redeemable Share Capital Account				
Balance at the beginning of the year	28,013,608	28,501,638	50,475,917	50,486,138
Issue of participating redeemable shares	4,962,850	3,359,356	7,310,621	5,564,944
Redemption of participating redeemable shares	(1,934,484)	(3,847,386)	(5,063,032)	(5,575,165)
Balance at the end of the year	31,041,974	28,013,608	52,723,506	50,475,917

11. Net asset value per participating redeemable share

As at 30 June	NAV per share	Net assets		Shares in issue	NAV per share	Net assets	
		2018	2018			2017	2017
		<u>USD</u>	<u>USD</u>			<u>USD</u>	<u>USD</u>
Cautious Cell							
Class A	1.28	25,777,274	20,103,355	1.23	23,432,339	19,105,451	
Class B	1.14	10,282,929	8,986,309	1.09	8,129,094	7,442,868	
Total		36,060,203	29,089,664		31,561,433	26,548,319	
Growth Cell							
Class A	1.53	44,769,185	29,345,333	1.37	40,899,465	29,875,857	
Class B	1.34	25,712,307	19,220,529	1.20	20,229,096	16,890,891	
Total		70,481,492	48,565,862		61,128,561	46,766,748	

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 (2017: Nil).

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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 the Cells of the Company in respect of which the Distribution Partner is appointed 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.

<u>Fee - % of NAV per annum</u>	<u>Cells NAV</u>
0.25%	Up to USD30m
0.23%	From USD30m to USD60m
0.20%	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:

	<u>Cautious Cell</u>		<u>Growth Cell</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Charged during the year	74,323	70,636	148,172	130,190
Accrued at year end	7,110	8,706	13,304	14,468

Management fee rebate received during the year:

	<u>Cautious Cell</u>		<u>Growth Cell</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Received during the year	-	930	-	5,068

No management fee rebates were outstanding at year end.

13.2 Investment Management fee

Pursuant to the Investment Management Agreement, Momentum Global Investment Management Limited (the "Investment Manager") is entitled to receive a fee (the "Investment Management 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.

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:

<u>Fee - % of NAV per annum - from 1 February 2018</u>	<u>Cells NAV</u>
0.725%	Up to USD75m
0.65%	From USD75m to USD150m
0.60%	Above USD150m

<u>Fee - % of NAV per annum - up to 31 January 2018</u>	<u>Cells NAV</u>
0.75%	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:

<u>Fee - % of NAV per annum - from 1 February 2018</u>	<u>Cells NAV</u>
0.525%	Up to USD75m
0.45%	From USD75m to USD150m
0.40%	Above USD150m

<u>Fee - % of NAV per annum - up to 31 January 2018</u>	<u>Cells NAV</u>
0.55%	Up to USD75m
0.50%	From USD75m to USD150m
0.45%	Above USD150m

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13. Related-party transactions (continued)

13.2 Investment Management fee (continued)

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

	Cautious Cell		Growth Cell	
	2018	2017	2018	2017
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Charged during the year	238,614	214,824	460,159	386,496
Accrued at year end	20,866	18,332	40,270	34,576

13.3 Sub-Investment Management fee

The Investment Manager has appointed Firstglobal Asset Management (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.

13.4 Custodian fee

The Cells have engaged the services of Northern Trust (Guernsey) Limited to provide custodian services. The custodian is entitled to the payment of a fee (the "Custody 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.

Fee - % of NAV per annum

	Cell NAV
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:

	Cautious Cell		Growth Cell	
	2018	2017	2018	2017
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Charged during the year	15,411	10,085	29,505	22,976
Accrued at year end	1,392	1,284	2,425	2,240

13.5 Distribution Partner fee

The Cells have appointed Firstglobal Asset Management (Pty) Ltd as distribution partner to promote and market the Cells. The Distribution Partner will not be paid a fee.

13.6 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 waived their right to a fee in 2018 (2017: 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

	Cautious Cell		Growth Cell	
	2018	2017	2018	2017
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Net assets per financial statements	36,060,203	31,561,433	70,481,492	61,128,561
Adjustments:				
Adjustment in value of assets at financial assets at fair value through profit or loss	(28,177)	14,595	(113,916)	(31,250)
Net assets per published valuation	36,032,026	31,576,028	70,367,576	61,097,311
NAV per Class A share per published valuation	1.28	1.23	1.52	1.37
NAV per Class B share per published valuation	1.14	1.09	1.34	1.20
NAV per Class A share per financial statements	1.28	1.23	1.53	1.37
NAV per Class B share per financial statements	1.14	1.09	1.34	1.20

16. Subsequent events

These financial statements were approved for issuance by the Board on 5 December 2018.

No significant subsequent events have occurred in respect of the Cells that are considered material to the understanding of these audited financial statements.