

Discipline + Diversified Cell

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

**Discipline + Diversified Balanced Fund IC Limited
("Discipline + Diversified Cell")**

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

Discipline + Diversified Cell

Supplementary Information

	30.06.17	30.06.16
1. NUMBER OF SHARES OUTSTANDING		
Class A - USD	534,333	718,774
Class B - EUR	72,702	75,172
Class C - GBP	737,960	856,133
Class D - USD	2,081,092	2,899,486
Class E - GBP	2,490,945	2,508,677
2. NET ASSET VALUE PER SHARE		
Class A - USD	1.70	1.50
Class B - EUR	1.54	1.39
Class C - GBP	1.55	1.38
Class D - USD	1.29	1.14
Class E - GBP	1.25	1.12
3. HIGHEST/LOWEST PRICE *		
Class A - USD	1.72 / 1.50	1.61 / 1.35
Class B - EUR	1.56 / 1.39	1.50 / 1.25
Class C - GBP	1.57 / 1.39	1.49 / 1.24
Class D - USD	1.30 / 1.15	1.18 / 1.03
Class E - GBP	1.26 / 1.12	1.21 / 1.01
4. NUMBER OF SHARES SUBSCRIBED		
Class A - USD	-	33,339
Class B - EUR	-	21,069
Class C - GBP	-	-
Class D - USD	70,351	97,057
Class E - GBP	686,489	557,403
5. NUMBER OF SHARES REDEEMED		
Class A - USD	184,441	793,955
Class B - EUR	2,470	29,130
Class C - GBP	118,173	1,244,872
Class D - USD	888,745	1,610,885
Class E - GBP	704,221	1,369,012

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

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Portfolio Statement

	Holdings	Fair Value <u>USD</u>	% of Net Assets
Financial assets at fair value through profit or loss			
Collective Investment Schemes: 96.66% (2016: 101.10%)			
Alternatives Fund			
Goldman Sachs EFI Long Short Risk Premia Portfolio	21,420	198,898	2.15
Total Alternatives Fund		198,898	2.15
Commodities Fund			
iShares Gold Producers UCITS ETF	4,135	38,145	0.41
iShares Physical Gold ETF	14,562	356,332	3.85
Total Commodities Fund		394,477	4.26
Equity Funds			
Chinook Gbl. Conv. "A" Usd Acc	2,477	258,484	2.80
F&C True Styles Portfolios Gbl. Eqty. Mkt. N Acc	243,541	177,977	1.93
First State Investments ICVC - Global Listed Infrastructure Fund Class B	14	23	-
Firth Asian Smaller Companies Fund Class I Initial	83	164,703	1.78
FP Crux European Situations Fund	23,922	152,703	1.65
Gs. Gbl. Strat. Macro Pflio. 'T' Usd Acc	1,715	185,766	2.01
Heptagon Fund - Kopernik Global All-Cap Equity	730	80,283	0.87
iShares \$ TIPS UCITS ETF	1,255	252,644	2.73
Jupiter European Special Situations Fund	27,397	153,327	1.66
Maple-Brown Abbott Maple-Brown Abbott Gbl. Acc	143,129	184,823	2.00
Momentum Investment Funds SICAV-SIF - Momentum IF Global Emerging Markets Equity Class A	2,945	586,055	6.34
Momentum Investment Funds SICAV-SIF - Momentum IF Global Equity Class M	28,145	3,208,837	34.71
Morgan Stanley Investment Funds - Global Brands Fund Class A	2,372	282,275	3.05
Polar Cap. Japan	10,019	203,292	2.20
Schroder Recovery Fund - Z Accumulating	140,730	193,495	2.09
Total Equity Funds		6,084,687	65.82
Fixed Income Funds			
AXA IM Fixed Income Investment Strategies - US Short Duration High Yield Fund	2,190	405,699	4.40
AXA World Fund - US High Yield Bonds 'I' \$ Acc	1	12	-
BlackRock Fixed Income Dublin Funds - US Corporate Bond Index Fund	41,570	656,224	7.10
iShares JP Morgan \$ Emerging Markets Bond UCITS ETF	3,240	365,634	3.96
Muzinich Emg. Mkts. Short Drtn. S' \$ Acc	1,650	186,087	2.01
Muzinich Funds - Enhanced Yield Short-Term Fund	791	134,357	1.45
RWC Funds - RWC Asia Convertibles Fund Class B	2,263	282,640	3.06
RWC Funds - RWC Global Convertibles Fund EUR Class	27	48,099	0.52
Westwood Strat GI Convert FD	170	178,651	1.93
Total Fixed Income Funds		2,257,403	24.43
Total Collective Investment Schemes		8,935,465	96.66
Financial assets at fair value through profit or loss		8,935,465	96.66
Other Net Assets: 3.34% (2016: Other Net Liabilities USD(108,285); (1.10)%)		309,005	3.34
Net Assets Attributable to Holders of Participating Redeemable Shares		9,244,470	100.00

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Discipline + Diversified Cell

Statement of Financial Position

	Notes	30.06.17 USD	30.06.16 USD
ASSETS			
NON-CURRENT ASSETS			
Financial assets at fair value through profit or loss	5	8,935,465	9,952,707
CURRENT ASSETS			
Cash and cash equivalents	6	323,789	525,545
Fair value of derivative financial instruments	7	53,732	80,736
Receivable on subscription of participating redeemable shares		498	-
Securities sold receivable		-	77,968
Other receivables	8	1,239	10,953
		<u>379,258</u>	<u>695,202</u>
Total assets		9,314,723	10,647,909
LIABILITIES			
CURRENT LIABILITIES			
Fair value of derivative financial instruments	7	15,467	523,469
Other payables	9	30,893	32,959
Due on redemption of participating redeemable shares		23,793	246,959
Liabilities (excluding net assets attributable to holders of participating redeemable shares)		70,153	803,387
Net assets attributable to holders of participating redeemable shares	2 & 11	9,244,470	9,844,422
Total liabilities		9,314,623	10,647,809
SHAREHOLDERS' EQUITY			
Management shares	10	100	100
Total equity		100	100
Total equity and liabilities		9,314,723	10,647,909
Net asset value per participating redeemable share			
Class A - USD	11	1.70	1.50
Class B - EUR		1.54	1.39
Class C - GBP		1.55	1.38
Class D - USD		1.29	1.14
Class E - GBP		1.25	1.12

The notes 1 to 16 on pages 132 to 139 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



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Discipline + Diversified Cell

Statement of Comprehensive Income

		Year ended	Year ended
		30.06.17	30.06.16
	Notes	USD	USD
INCOME			
Deposit interest		122	5,174
Dividend income		30,377	45,168
Net realised gains/(losses) on financial assets at fair value through profit or loss	5	228,341	(71,984)
Net unrealised gains/(losses) on financial assets at fair value through profit or loss	5	1,047,632	(796,871)
Net gains/(losses) on derivatives		36,422	(1,267,867)
Other foreign exchange loss/(gain)		(175,894)	71,041
Other (expense)/income		(505)	14,568
Total net income/(loss)		1,166,495	(2,000,771)
EXPENSES			
Audit fee		(13,550)	(14,029)
Custodian fees	13	(10,777)	(9,705)
Distribution Partner fee	13	(68,201)	(107,048)
Investment Management fee	13	(91,385)	(138,197)
Management and Administration fee	13	(31,827)	(49,956)
Finance cost		(250)	(320)
Sundry expenses		(4,446)	(6,633)
Total operating expenses		(220,436)	(325,888)
Net profit/(loss) before tax		946,059	(2,326,659)
Withholding Tax		-	(1,991)
Increase/(decrease) in net assets attributable to holders of participating redeemable shares from operations		946,059	(2,328,650)

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 16 on pages 132 to 139 form part of these financial statements.

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Statement of Cash Flows

	Year ended 30.06.17 USD	Year ended 30.06.16 USD
CASH FLOW FROM OPERATING ACTIVITIES		
Increase/(decrease) in net assets attributable to holders of participating redeemable shares from operations	946,059	(2,328,650)
ADJUSTMENT FOR:		
Net realised (gains)/losses on financial assets at fair value through profit or loss	(228,341)	71,984
Net unrealised (gains)/losses on financial assets at fair value through profit or loss	(1,047,632)	796,871
Net settlement on derivatives and other foreign exchange	(305,104)	652,433
Dividend income	(30,377)	(45,168)
Deposit interest	(122)	(5,174)
Withholding tax	-	1,991
Operating loss before working capital changes	(665,517)	(855,713)
Net decrease in other payables	(2,066)	(18,361)
Net decrease in other receivables	9,714	18,333
Purchase of financial assets at fair value through profit or loss	(3,573,333)	(4,971,804)
Sale of financial assets at fair value through profit or loss	5,944,516	11,277,556
Dividend received	30,377	44,755
Deposit interest	122	5,174
Net cash generated from operating activities	1,743,813	5,499,940
CASH FLOW FROM FINANCING ACTIVITIES		
Cash received from issuance of participating redeemable shares	1,105,257	1,534,113
Cash paid on redemptions of participating redeemable shares	(2,874,932)	(7,719,934)
Net cash used in financing activities	(1,769,675)	(6,185,821)
Net decrease in cash and cash equivalents	(25,862)	(685,881)
Cash and cash equivalents at the beginning of the year	525,545	1,140,385
Exchange (losses)/gains on cash and cash equivalents	(175,894)	71,041
Cash and cash equivalents at the end of the year	323,789	525,545

The notes 1 to 16 on pages 132 to 139 form part of these financial statements.

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Discipline + Diversified Cell

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

	Note	Year ended 30.06.17 <u>USD</u>	Year ended 30.06.16 <u>USD</u>
Net assets attributable to holders of participating redeemable shares at the beginning of the year		9,844,422	18,959,944
Proceeds from issuance of participating redeemable shares	10	1,105,755	1,165,371
Payments on redemption of participating redeemable shares	10	(2,651,766)	(7,952,243)
Increase/(decrease) in net assets attributable to holders of participating redeemable shares from operations		946,059	(2,328,650)
Net assets attributable to holders of participating redeemable shares at the end of the year	10	<u>9,244,470</u>	<u>9,844,422</u>

The notes 1 to 16 on pages 132 to 139 form part of these financial statements.

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Discipline + Diversified Cell

Notes to the Financial Statements

1. General information

The Discipline + Diversified Balanced Fund IC Limited (the "Cell"), with company number 49524, is a Guernsey registered, Limited Liability Incorporated Cell of Momentum Mutual Fund ICC Limited (the "Company").

The cell aims to provide a balance between capital preservation and capital growth in the base currency with a reduced level of volatility via strategic exposures to a wide range of asset classes. The Cell is ideally suited to investors with a moderate risk tolerance and with an investment horizon of 3 years or longer.

The Cells intend to achieve their investment objective through a diversified portfolio that invests, primarily via other collective investment schemes, across a broad range of asset classes and currencies in varying proportions over time. These asset classes include international equities, fixed income, commodities, alternative strategies, property, money market instruments and asset allocation portfolios. The Cell may also invest in transferable securities.

The Cell's 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").

On 18 July 2016, amendments were made to the Supplemental Cell Prospectus of the Cell implementing the following change with effect from that date:

- The Cell may use futures, options and swap contracts and enter into forward foreign exchange transactions for the purposes of efficient portfolio management and risk reduction or to protect or enhance investment performance.
- Minor changes relating to the specific risk warnings on the use of derivative instruments.

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 Cell's activities and investment objectives expose it 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 Cell's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Cell's 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 Cell is subject to market price risk as it trades primarily in collective investment schemes. Through its investment in traded securities and instruments the Cell is 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 Cell's overall market position is monitored regularly by the Cell's Investment Manager and is reviewed by the Board of Directors periodically.

The Cell's market price risk is managed through diversification of the investment portfolio ratios by exposures to varying product categories, hence concentration of risk is minimised. At year end the financial investments at fair value through profit or loss attributable to holders of participating redeemable shares, which are subject to market price risk, are as follows:

	2017	% of	2016	% of
	Fair Value	Net Assets	Fair Value	Net Assets
	USD		USD	
Collective investment schemes	8,935,465	96.66	9,952,707	101.10
	8,935,465	96.66	9,952,707	101.10

The Cell's 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 rates 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:

	2017	2016
	Change in fair value	Change in fair value
	USD	USD
Collective investment schemes	893,547	995,271

2.3 Interest rate risk

The Cell's 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 Cell's financial assets and liabilities are non-interest bearing. As a result, the Cell is 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 Cell's exposure to interest rate risks. It includes the Cell's assets and trading liabilities at fair values, all of which have contractual re-pricing or maturity dates within one month.

	2017	2016
	USD	USD
Net financial assets on which no interest is paid	8,755,978	9,183,202
Net floating rate financial assets	323,789	525,545

In accordance with the Cell's policy, the Investment Manager monitors the Cell's overall interest rate sensitivity on a daily basis, and the Board of Directors reviews it on a quarterly basis.

Should interest rates have increased or decreased 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	2017	2016
	USD	USD
Net floating rate financial assets	3,238	5,255

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

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Notes to the Financial Statements

2. Financial risk management (continued)

2.4 Cash flow risk

The Cell holds a limited amount of cash and cash equivalents that expose the Cell 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. The Cell holds assets denominated in currencies other than the US Dollar, the functional currency, and therefore it is exposed to currency risk. The exposures are based on the currencies of the underlying assets in the Cell. Where the Cell invests 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 Cell's exposure to currency risks.

As at 30 June	2017	2016
	<u>USD</u>	<u>USD</u>
GBP exposure	756,775	(4,450)
EUR exposure	226,418	529,047
JPY exposure	2	(2,778)

In accordance with the Cell's policy, the Investment Manager monitors the Cell's currency position on a regular basis, and the Board of Directors reviews it periodically. The Cell has the ability to enter into forward foreign exchange contracts in an attempt to mitigate any significant currency risk. Such contracts are used on a regular basis. The contracts which are outstanding at the year end are disclosed in note 7.

Should the 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 preference shareholders would have increased, or decreased, as follows:

As at 30 June	2017	2016
	<u>USD</u>	<u>USD</u>
GBP exposure	37,839	(223)
EUR exposure	11,321	26,452
JPY exposure	-	(139)

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 the 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 Cell manages its exposure to credit risk associated with cash deposits by selecting Northern Trust (Guernsey) Limited as the counterparty to hold all cash deposits for the Cell. The Northern Trust Company is a 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 Cell's maximum exposure to credit risk is the carrying value of the assets on the Statement of Financial Position.

2.7 Liquidity risk

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

The Cell has the ability to borrow to meet short term liquidity requirements, however to date the Cell has not entered into such arrangement.

The table below analyses the Cell's financial assets, financial liabilities and net settled derivative 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.

	2017			2016	
	Less than 1 month	Between 1 and 12 months	More than 12 months	Total	Total
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Financial assets at fair value through profit or loss	8,770,762	164,703	-	8,935,465	9,952,707
Cash and cash equivalents	323,789	-	-	323,789	525,545
Fair value of derivative financial instruments	38,265	-	-	38,265	(442,733)
Securities sold receivable	-	-	-	-	77,968
Subscriptions receivable	498	-	-	498	-
Other receivables	1,139	-	-	1,139	10,853
Other payables	(30,893)	-	-	(30,893)	(32,959)
Due on redemption of participating redeemable shares	(23,793)	-	-	(23,793)	(246,959)
Net assets attributable to participating redeemable shares	(9,244,470)	-	-	(9,244,470)	(9,844,422)
Net liquidity position	(164,703)	164,703	-	-	-

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Notes to the Financial Statements

2. Financial risk management (continued)

2.7 Liquidity risk (continued)

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 Cell in accordance with the investment objectives and policies. The overall strategy of the Cell remains unchanged.

The Cell has 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 the fair values of the financial assets and liabilities.

3. Critical accounting estimates and judgments

The fair value of investments have been based on the listed market bid prices, or prices as supplied by the fund administrators of the Cell's 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 Cell's portfolio is organised by focusing on the type of security held, and then secondarily by geographical analysis based on the location of the investment.

The Cell operates using the main sector types which are disclosed in note 2.2 and the following main geographical areas:

	2017	2016
	<u>USD</u>	<u>USD</u>
Europe	7,810,598	8,275,080
United Kingdom	960,164	1,541,951
Cayman Islands	164,703	135,676
	8,935,465	9,952,707

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.

5. Financial assets at fair value through profit or loss

	2017	2016
	<u>USD</u>	<u>USD</u>
Financial asset at fair value through profit or loss:		
Collective investment schemes	8,935,465	9,952,707
Total financial assets at fair value through profit or loss	8,935,465	9,952,707
Movement on financial assets at fair value through profit or loss		
Fair value of financial assets at the beginning of the year	9,952,707	17,205,282
Purchases of financial assets	3,573,333	4,971,804
Sales of financial assets	(5,866,548)	(11,355,524)
Realised gains/(losses) on sales of financial assets	228,341	(71,984)
Movement in unrealised gains/(losses) on revaluation of financial assets	1,047,632	(796,871)
Fair value of financial assets at the end of the year	8,935,465	9,952,707
Comprising:		
Cost at the end of the year	8,024,105	10,088,979
Unrealised gains/(losses) at the end of the year	911,360	(136,272)
	8,935,465	9,952,707

IFRS 13 requires the Cell 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).

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Notes to the Financial Statements

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

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 to be 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 Cell's financial assets and financial liabilities measured at fair value by level within the valuation hierarchy as of 30 June 2017 and 30 June 2016:

	Level 1	Level 2	Level 3	Total
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
30 June 2017				
Assets				
Financial assets at fair value through profit or loss				
Collective investment schemes	8,770,762	164,703	-	8,935,465
Fair value of derivative financial instruments	-	53,732	-	53,732
Total assets	8,770,762	218,435	-	8,989,197
Liabilities				
Fair value of derivative financial instruments	-	15,467	-	15,467
Total liabilities	-	15,467	-	15,467

	Level 1	Level 2	Level 3	Total
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
30 June 2016				
Assets				
Financial assets at fair value through profit or loss				
Collective investment schemes	9,817,032	135,675	-	9,952,707
Fair value of derivative financial instruments	-	80,736	-	80,736
Total assets	9,817,032	216,411	-	10,033,443
Liabilities				
Fair value of derivative financial instruments	-	523,469	-	523,469
Total liabilities	-	523,469	-	523,469

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 Cell's assets and liabilities (by class) not measured at fair value at 30 June 2017 but for which fair value is disclosed.

	Level 1	Level 2	Level 3	Total
	<u>USD</u>	<u>USD</u>	<u>USD</u>	<u>USD</u>
Assets				
Cash and cash equivalents	323,789	-	-	323,789
Other receivables	-	1,239	-	1,239
Total	323,789	1,239	-	325,028
Liabilities				
Due on redemption of participating redeemable shares	-	23,793	-	23,793
Other payables	-	30,893	-	30,893
Net assets attributable to holders of participating redeemable shares	-	9,244,470	-	9,244,470
Total	-	9,299,156	-	9,299,156

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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)

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

	Level 1 <u>USD</u>	Level 2 <u>USD</u>	Level 3 <u>USD</u>	Total <u>USD</u>
Assets				
Cash and cash equivalents	525,545	-	-	525,545
Receivable on subscription of participating redeemable shares	-	77,968	-	77,968
Other receivables	-	10,953	-	10,953
Total	525,545	88,921	-	614,466
Liabilities				
Due on redemption of participating redeemable shares	-	246,959	-	246,959
Other payables	-	32,959	-	32,959
Net assets attributable to holders of participating redeemable shares	-	9,844,422	-	9,844,422
Total	-	10,124,340	-	10,124,340

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:

	2017 <u>USD</u>	2016 <u>USD</u>
Cash at bank	323,789	525,545
	323,789	525,545

7. Derivative Financial Instruments

Spot foreign currency contracts designated as at fair value through profit or loss:

There were no spot foreign currency contracts open at 30 June 2017.

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

30 June 2017	Amount <u>CCY</u>	Maturity Date	Contracted rate	Closing rate	Contract value <u>CCY</u>	Market value <u>CCY</u>	Financial assets	Financial assets
							/ (liabilities) <u>CCY</u>	/ (liabilities) <u>USD</u>
Outstanding contract to buy USD	USD 125,180	06/07/2017	0.8925	0.8768	111,726	109,754	EUR 1,972	2,249
Outstanding contract to buy USD	USD 1,462,830	06/07/2017	0.7759	0.7699	1,135,036	1,126,163	GBP 8,873	11,525
Outstanding contract to buy USD	USD 4,037,030	06/07/2017	0.7759	0.7699	3,133,403	3,107,918	GBP 25,485	33,105
Outstanding contract to buy JPY	JPY 52,578,090	06/07/2017	110.7382	112.3600	474,796	467,943	USD 6,853	6,853
								<u>53,732</u>
Outstanding contract to buy EUR	EUR 535,320	06/07/2017	0.8924	0.8768	599,881	610,559	(USD 10,678)	(10,678)
Outstanding contract to buy GBP	GBP 496,160	06/07/2017	0.7756	0.7699	639,698	644,487	(USD 4,789)	(4,789)
								<u>(15,467)</u>
Fair value of derivative financial instruments - asset								<u>53,732</u>
Fair value of derivative financial instruments - liability								<u>(15,467)</u>

Spot foreign currency contracts designated as at fair value through profit or loss:

Expiration	Underlying	Notional	30.06.16
		amount of contracts outstanding	Fair value asset/ (liability)
01/07/2016	Foreign currency (purchase of GBP)	GBP 170,000	950
01/07/2016	Foreign currency (purchase of GBP)	GBP 172,741	(724)

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7. Derivative Financial Instruments (continued)

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

30 June 2016

	Amount	Maturity Date	Contracted		Closing rate	Contract value	Market value	Financial assets / (liabilities)	
			rate	Contracted rate				CCY	USD
Outstanding contract to sell EUR	EUR 1,015,210	14/07/2016	0.8799	0.8999	1,153,728	1,128,091	USD 25,637	25,637	
Outstanding contract to sell GBP	GBP 455,480	14/07/2016	0.6869	0.7481	663,055	608,912	USD 54,143	54,143	
Outstanding contract to sell USD	EUR 9,037	07/07/2016	0.9007	0.9001	9,037	9,032	EUR 5	6	
								<u>79,786</u>	
Outstanding contract to buy EUR	EUR 9,037	07/07/2016	0.9007	0.9001	10,034	10,040	(USD 6)	(6)	
Outstanding contract to sell EUR	EUR 9,001	14/07/2016	0.8799	0.7481	(9,001)	(9,000)	(EUR 1)	(1)	
Outstanding contract to buy USD	EUR 114,962	14/07/2016	0.8799	0.9001	114,962	117,577	(EUR 2,615)	(2,905)	
Outstanding contract to sell USD	GBP 1,200,073	14/07/2016	0.6871	0.7481	1,200,073	1,306,474	(GBP 106,401)	(142,237)	
Outstanding contract to sell USD	GBP 3,028,354	14/07/2016	0.6871	0.7481	3,028,354	3,296,334	(GBP 267,980)	(358,236)	
Outstanding contract to buy USD	GBP 169,811	14/07/2016	0.7514	0.7481	(169,811)	(169,053)	(GBP 758)	(1,013)	
Outstanding contract to sell GBP	GBP 8,500	05/07/2016	0.7606	0.7480	11,176	11,363	(USD 187)	(187)	
Outstanding contract to sell GBP	GBP 164,241	06/07/2016	0.7507	0.7481	218,793	219,557	(USD 764)	(764)	
Outstanding contract to sell JPY	JPY 41,145,620	14/07/2016	107.2206	102.5710	383,747	401,143	(USD 17,396)	(17,396)	
								<u>(522,745)</u>	
Fair value of derivative financial instruments - asset								<u>80,736</u>	
Fair value of derivative financial instruments - liability								<u>(523,469)</u>	

In accordance with the Cell's investment objectives the Cell may enter into forward foreign exchange contracts to hedge foreign currency movements it may be exposed to through its investment portfolio. As there is no assurance that these hedges will be effective in achieving the offsetting of changes in cash flows attributable to currency risk on these investments it is the policy of the Cell not to apply hedge accounting.

8. Other receivables

	30.06.17	30.06.16
	<u>USD</u>	<u>USD</u>
Management shares receivable	100	100
Management fee rebate receivable	328	9,132
Prepayments	811	1,721
	<u>1,239</u>	<u>10,953</u>

9. Other payables

	30.06.17	30.06.16
	<u>USD</u>	<u>USD</u>
Management fee payable	2,657	3,076
Custodian fee payable	658	656
Investment management fee payable	7,764	8,487
Audit fee payable	13,994	14,148
Distributors fee payable	5,694	6,592
Sundry Fees payable	126	-
	<u>30,893</u>	<u>32,959</u>

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. Each share class has the same rights and obligations.

Management Shares in Issue

	30.06.17	30.06.16
	<u>USD</u>	<u>USD</u>
Management Shares	<u>100</u>	<u>100</u>

Participating Redeemable Shares in Issue

	Class A - USD		Class B - EUR		Class C - GBP	
	Year ended 30.06.17	Year ended 30.06.16	Year ended 30.06.17	Year ended 30.06.16	Year ended 30.06.17	Year ended 30.06.16
Balance at the beginning of the year	718,774	1,479,390	75,172	83,233	856,133	2,101,005
Issue of participating redeemable shares	-	33,339	-	21,069	-	-
Redemption of participating redeemable shares	(184,441)	(793,955)	(2,470)	(29,130)	(118,173)	(1,244,872)
Balance at the end of the year	<u>534,333</u>	<u>718,774</u>	<u>72,702</u>	<u>75,172</u>	<u>737,960</u>	<u>856,133</u>

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10. Share Capital (continued)

Participating Redeemable Shares in Issue (continued)

	Class D - USD		Class E - GBP	
	Year ended	Year ended	Year ended	Year ended
	30.06.17	30.06.16	30.06.17	30.06.16
Balance at the beginning of the year	2,899,486	4,413,314	2,508,677	3,320,286
Issue of participating redeemable shares	70,351	97,057	686,489	557,403
Redemption of participating redeemable shares	(888,745)	(1,610,885)	(704,221)	(1,369,012)
Balance at the end of the year	2,081,092	2,899,486	2,490,945	2,508,677

Participating Redeemable Shares Capital Account

	Year ended	Year ended
	30.06.17	30.06.16
	USD	USD
Balance at the beginning of the year	6,047,708	12,834,580
Issue of participating redeemable shares	1,105,755	1,165,371
Redemption of participating redeemable shares	(2,651,766)	(7,952,243)
Balance at the end of the year	4,501,697	6,047,708

11. Net asset value per participating redeemable share

As at 30 June	NAV per share	Net assets	Shares in	NAV per share	Net assets	Shares in
	2017	2017	issue	2016	attributable	issue
			2017		2016	2016
Class A - USD	1.70	907,459	534,333	1.50	1,078,450	718,774
Class B - EUR	1.54	112,205	72,702	1.39	104,199	75,172
Class C - GBP	1.55	1,145,696	737,960	1.38	1,184,430	856,133
Class D - USD	1.29	2,677,458	2,081,092	1.14	3,312,326	2,899,486
Class E - GBP	1.25	3,112,800	2,490,945	1.12	2,808,603	2,508,677

12. Dividends payable to participating redeemable shareholders

No dividends were paid during the year (2016: Nil) and the Board does not intend to pay any dividends. All available income will be reinvested.

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 Cell is managed by Momentum Wealth International Limited, a management company incorporated in Guernsey, providing management services to the Cell under the terms of the management agreement in place.

The Manager is entitled to receive a Management and Administration fee of 0.35% of the NAV of the Cell, subject to a minimum fee of USD22,000 per annum, or currency equivalent. The Management and Administration fee will accrue as at each Valuation Point, based on the current valuation of the Cell and payable monthly in arrears.

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:

	2017	2016
	USD	USD
Charged during the year	31,827	49,956
Accrued at year end	2,657	3,076

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

	2017	2016
	USD	USD
(Paid)/Received during the year	(505)	14,568
Accrued at year end	328	9,132

13.2 Investment Management fee

<u>Fee - % of NAV per annum</u>	<u>Fee - % of NAV per annum</u>	<u>Cell NAV</u>
Class A, B and C Shares	Class D and E Shares	
0.65%	1.15%	Up to USD15m
0.55%	1.05%	From USD15m to USD30m
0.45%	0.95%	From USD30m to USD60m
0.35%	0.85%	Above USD60m

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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:

	2017	2016
	<u>USD</u>	<u>USD</u>
Charged during the year	91,385	138,197
Accrued at year end	<u>7,764</u>	<u>8,487</u>

13.3 Custodian fee

The Cell has 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.

Fee - % of NAV per annum

	<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 fee charged during the year and accrued at year end:

	2017	2016
	<u>USD</u>	<u>USD</u>
Charged during the year	10,777	9,705
Accrued at year end	<u>658</u>	<u>656</u>

13.4 Distribution Partner fee

The Cell has appointed Wealth Management Group as distribution partner to promote and market the Cell. The Distribution Partner is entitled to receive a fee (the "Distribution Partner Fee") of up to 0.75% of the NAV of each class of shares per annum. The Distribution Partner fee will accrue as at each Valuation Point, based on the current valuation of the Cell and is payable monthly in arrears.

Distribution Partner fee charged during the year and accrued at year end:

	2017	2016
	<u>USD</u>	<u>USD</u>
Charged during the year	68,201	107,048
Accrued at year end	<u>5,694</u>	<u>6,592</u>

13.5 Board of Directors' remuneration

The Directors are entitled to fees in respect of the Cell that 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 the Cell. Such fees and expenses shall be paid out of the assets of the 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 2017 (2016: Nil).

14. Ultimate controlling party

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

15. Reconciliation of published valuation to financial statements

	2017	2016
Net assets per financial statements	9,244,470	9,844,422
Adjustment:		
Adjustment in value of assets at financial assets at fair value through profit and loss due to late redemption of shares	10,153	-
Net assets per published valuation	<u>9,254,623</u>	<u>9,844,422</u>
NAV per Class A - USD per published valuation	<u>1.70</u>	<u>1.50</u>
NAV per Class B - EUR per published valuation	<u>1.54</u>	<u>1.39</u>
NAV per Class C - GBP per published valuation	<u>1.55</u>	<u>1.38</u>
NAV per Class D - USD per published valuation	<u>1.29</u>	<u>1.14</u>
NAV per Class E - GBP per published valuation	<u>1.25</u>	<u>1.12</u>
NAV per Class A - USD per financial statements	<u>1.70</u>	<u>1.50</u>
NAV per Class B - EUR per financial statements	<u>1.54</u>	<u>1.39</u>
NAV per Class C - GBP per financial statements	<u>1.55</u>	<u>1.38</u>
NAV per Class D - USD per financial statements	<u>1.29</u>	<u>1.14</u>
NAV per Class E - GBP per financial statements	<u>1.25</u>	<u>1.12</u>

16. Subsequent events

On 14 August 2017, amendments were made to the Supplemental Prospectus of the Cell as follows:

- the Fund will not be permitted to enter into any form of borrowing or loan arrangement with other funds of the Company nor other collective investment schemes of the Manager.

These financial statements were approved for issuance by the Board on 1 December 2017. Subsequent events have been evaluated until this date.