

DX Evolution PCC Limited
Annual Report and Audited Financial Statements 2016

For the year ended 31 December 2016

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Management and Administration

Directors	<p>R. Fuller (Chairman) T. A. Nelson J. I. P. Greco J. M. Le Roux</p> <p>The mailing address for all Directors is: PO Box 660, Third Floor, Dixcart House, Sir William Place, St Peter Port, Guernsey GY1 3PU.</p>
Registered Office	<p>Third Floor, Dixcart House, Sir William Place, St Peter Port, Guernsey GY1 4EZ.</p>
Manager, Company Secretary and Distribution Manager	<p>Dominion Fund Management Limited Correspondence address: PO Box 660, Third Floor, Dixcart House, Sir William Place, St Peter Port, Guernsey GY1 3PU.</p>
Custodian	<p>Deutsche Bank International Limited (Guernsey Branch) PO Box 424, Lefebvre Court, Lefebvre Street, St Peter Port, Guernsey GY1 3WT.</p>
Independent Auditor	<p>PricewaterhouseCoopers CI LLP PO Box 321, Royal Bank Place, 1, Gategny Esplanade, St Peter Port, Guernsey GY1 4ND.</p>
Legal Advisers in Guernsey	<p>Carey Olsen P.O. Box 98, Les Banques, St Peter Port, Guernsey GY1 4BZ.</p>
Administrator and Registrar	<p>Louvre Fund Services Limited St Peters House, Le Bordage, St Peter Port, Guernsey GY1 1BR.</p>

Report of the Directors

The Directors present their Annual Report and Audited Financial Statements of DX Evolution PCC Limited (the “Company”) for the year ended 31 December 2016.

Corporate Governance

The Company is committed to high standards of corporate governance. Having considered relevant guidelines such as the Code of Corporate Governance issued by the Guernsey Financial Services Commission (“GFSC”) in September 2011, the Directors have put in place a framework for corporate governance which they believe is appropriate for the Company.

Incorporation and Principal Activity

The Company was incorporated and registered in Guernsey on 16 April 2012 as an open-ended protected cell company. The Company was authorised on 24 April 2012 as a Class B Collective Investment Scheme by the GFSC under The Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended and The Authorised Collective Investment Schemes (Class B) Rules 2013.

The Company is an open-ended protected cell company which issues and redeems Participating Shares in each cell within the Company. At 31 December 2016 and 31 December 2015, there were two active cells (together the “Funds”) in operation:

- DXE (€) Fund
- DXE (US\$) Fund

Investment Objective and Policies

The investment objective of the Funds is to achieve medium to long-term growth through any combination of capital appreciation and accrued income while seeking to achieve this investment objective through investment in a diversified portfolio of investment assets and cash instruments aimed at achieving medium to long-term appreciation in a way that aims to control volatility and risk.

The investment policy is to invest the net proceeds raised from subscriptions into the Funds in:

- i) the Aviva With-Profit Fund;
- ii) the Prudential With-Profit Fund;
- iii) insurance policies which invest in the with-profit funds of leading insurance providers whether newly subscribed or purchased via any secondary market;
- iv) collective investment schemes, including but not limited to other schemes managed by or associated with the Manager, exchange traded funds, limited partnerships and managed accounts with characteristics which in the opinion of the Manager are consistent with the investment objectives of the Funds;
- v) the Manager may use leverage to increase exposure to the investment assets where such leverage is available on commercial terms which are otherwise advantageous;
- vi) transferable securities admitted to official listing on a recognised investment exchange or on another regulated market which operates regularly and is recognised and open to the public;
- vii) fixed income securities and/or cash and near cash instruments specifically including exchange traded notes and cash and all other assets, which the Directors in their discretion consider to be of a similar nature;
- viii) derivative instruments including financial derivative instruments dealt over-the-counter (“OTC derivatives”) permitting either the purchase or sale of volatility as an asset class in order to control risk as well as to achieve the Funds’ investment objectives; and
- ix) forward transactions and derivatives, including futures, options and contracts for difference both for efficient portfolio management, hedging and to enhance portfolio performance. The Funds’ aggregate exposure through short positions will not exceed 30% of gross assets.

This initial policy may be varied at the discretion of the Manager if, in its opinion (subject to investment restrictions), a different allocation of assets may better achieve the investment objectives of the Funds.

Principal Risks and Uncertainties

A risk management framework that recognises and prioritises the principal risks that the Company faces is in place and the Directors carry out an annual review of the system of internal control with the Manager which includes consideration of the effectiveness of the Directors’ and the Manager’s ongoing processes for identifying, evaluating and managing the risks of the Company. The Directors consider that there have been no weaknesses in internal control, which have resulted in any material losses, contingencies or uncertainties requiring disclosure to shareholders.

Report of the Directors (continued)

Results and Dividends

The results for the period are set out in the Statement of Comprehensive Income on page 12.

At the end of the period, the Funds recorded performances of -5.07% and -6.48% (published Net Asset Value “NAV” per share) for DXE (US\$) and DXE (€) respectively. The Company total Investments Assets closed the period at €33.7mn and net assets attributable to participating shareholders at €32.2mn.

The Directors do not anticipate that any dividends will be paid.

Directors

The Directors of the Company during the period and up to the date of this report are shown on page 3.

Going Concern

The Directors consider that the Company has adequate resources to continue in operational existence for the foreseeable future. In making this assessment the Directors have taken into account all available information about the foreseeable future. The majority of the Company assets are liquid and the liabilities of the Company can be comfortably met from these liquid assets.

Statement of Directors’ Responsibilities

The Directors are responsible for preparing the Annual Report and Audited Financial Statements in accordance with applicable law and regulations.

The Companies (Guernsey) Law, 2008, requires the Directors to prepare Financial Statements for each financial year. Under that law, they have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards (“IFRS”) and applicable law.

The Financial Statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm they have complied with the above requirements in preparing the Financial Statements.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with The Companies (Guernsey) Law, 2008, The Authorised Collective Investment Schemes (Class B) Rules 2013 and the principal documents. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Auditors

PricewaterhouseCoopers CI LLP were re-appointed as auditors of the Company for the year ended 31 December 2016 at the Annual General Meeting on 27 September 2016.

A resolution to re-appoint PricewaterhouseCoopers CI LLP as auditors of the Company for the year ended 31 December 2017 will be proposed at the forthcoming Annual General Meeting.

Approved and signed on behalf of the Board of Directors.



Director



Director

27 June 2017

Report of the Manager

For the year ended 31 December 2016

This sub-par performance of the Funds can be attributed to the nature of global equity markets which were dominated by economics and politics rather than the structural growth profile of the portfolio constituent companies of the Global Trends Funds. Specifically, equity trading patterns and volatility of the financial markets were driven by worries regarding economic growth prospects during the first quarter, speculation regarding US Federal Reserve and ECB policy decisions, the UK "Brexit" outcome and the US presidential election.

The most significant draw-down of the portfolios occurred during the global equity market correction in January-February which was caused by economic worries: equities showed a close correlation with oil prices, whilst uncertainties surrounding economic prospects in China and the USA also led to an overall sense of a possible global slow-down. During this period, equity market moves exhibited somewhat irrational reactions reflecting this fear with, for instance, equities in the transport sector (where energy is a major cost) declining when oil prices dropped in January. The decline of oil prices depressed inflationary projections and fed "Great Deflation" anxiety with commentators and investors. No convincing evidence of a global recession emerged, but it took until the second quarter for the correlation between oil prices and equity markets to de-couple.

After a roller-coaster first quarter, characterized by investors' confusion and anxiety, equity markets recovered up to the end of April. The positive momentum was supported for a while by more clarity from the US Federal Reserve (proceeding with caution), the ECB (implementing a comprehensive monetary package) and in China (where positive effects of stimulative measures were being felt). By May, however, the familiar anxiety had returned and a mixed corporate results season did not provide much support for equities either.

A positive shift in sentiment occurred when US retail sales numbers for April were interpreted as being surprisingly positive. The US retail statistics are relevant for DXE Funds with respect to the identification of underlying shifts in consumer behaviour. Whereas dismal results from US department stores at times led to worries about the health of the economy, the macro retail numbers did not disappoint. The reality is that consumers are not choosing to save but they are also decisively moving away from traditional stores. From April onwards retail data confirmed an accelerating shift towards Ecommerce (non-store Retailers) in consumer spending behaviour. Millennials also prefer "experiences" to "things" which is corroborated by the significant growth in food services and non-store retailing, but it is important to note that other services (travel and entertainment for instance) are not included in retail statistics.

Another spike in volatility was recorded after the unexpected results of the UK referendum regarding membership of the EU in June. The shock was promptly absorbed and equity markets moved on to the next political event: the US presidential election. The Trump victory took financial markets by surprise, causing a re-assessment of economic projections and investment stances. In addition to the presidency, the full control of Congress by the Republican party increased the probability of radical legislative action. The promises of pro-business measures were welcomed by investors and a "Trump Rally" characterized equities during November and December. The rally mainly benefitted cyclical, healthcare and financial stocks and, on the whole, did not benefit growth stocks in the Funds' portfolios. The NASDAQ performance (generally regarded as a proxy for growth companies) illustrated the trend in growth stocks during the year: after the initial draw-down at the beginning of the year the index caught up with the wider market by the end of September, only to be left behind after the Trump election by year-end.

The positive mood regarding cyclical equities was also driven by improving incoming economic statistics pointing towards an acceleration in global momentum. When the US Federal Reserve raised official interest rates in December (a year after the first increase) it was therefore widely interpreted as a logical step towards normalization of interest rates, justified by favourable economic trends ("Great Deflation" fears evaporated), and did not cause a disruption in the performance of equity indices as some commentators had suggested earlier.

The year ended with a positive trend of equity indices driven by a limited number of sectors, but with the potential for wider equity rallies if the global economic momentum were proven to be sustained into 2017.

During 2016 equity markets achieved a positive performance, with European indices up around 2% and US indices up in double digits (DJ STOXX600 +2.38% and S&P500 +11.95%).

DXE EUR and DXE USD closed the year with a negative performance (-6.48% and -5.07% respectively).

For the year 2016, the Company's net assets attributable to participating shareholders closed the year at €32.238mn.

Report of the Manager (continued)

For the year ended 31 December 2016

Performance of assets

The investment in stocks and in funds managed by Dominion (Dominion Global Trends SICAV p.l.c.) at the end of the reporting period were as follows:

For the DXE (€) Fund:

Dominion Global Trends SICAV p.l.c. - Dominion Global Trends - Ecommerce Fund EUR B Class
Dominion Global Trends SICAV p.l.c. - Dominion Global Trends - Managed Fund EUR A Class
Dominion Global Trends SICAV p.l.c. - Dominion Global Trends - Luxury Consumer Fund EUR IC Class
Dominion Global Trends Managed Pro PCC Limited - Managed Pro EUR Fund

DXE EUR was also invested in the following equity stocks through CFDs:

Aalberts Industries NV
Ashtead Group
Assa Abloy
Dassault Systems SA
Delphi Automotive Plc
Halma Plc
Hexagon AB
iShares S&P Global Healthcare Sector
Kuka AG
Mueller Water Products Inc
Tetra Tech
Xylem inc

For the DXE (US\$) Fund:

Dominion Global Trends SICAV p.l.c. - Dominion Global Trends - Ecommerce Fund USD BH Class
Dominion Global Trends SICAV p.l.c. - Dominion Global Trends - Managed Fund USD BH Class
Dominion Global Trends SICAV p.l.c. - Dominion Global Trends - Luxury Consumer Fund USD BH Class
Dominion Global Trends Managed Pro PCC Limited - Managed Pro EUR Fund

DXE USD was also invested in the following equity stocks through CFDs:

Aalberts Industries NV
Ashtead Group
Assa Abloy
Dassault Systems SA
Delphi Automotive Plc
Halma Plc
Hexagon AB
iShares S&P Global Healthcare Sector
Kuka AG
Mueller Water Products Inc
Tetra Tech
Xylem inc

The Funds' performances during the reporting period can be attributed to the underlying assets and the cost of leverage. With respect to portfolio activity the following can be highlighted:

Part of the investments held over the period were sold to raise the cash to meet funds' redemptions.

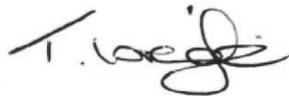
The synthetic leverage gives more flexibility to the manager who will be able to adjust the market exposure of the funds more efficiently.

Report of the Custodian

Report of Deutsche Bank International Limited (Guernsey Branch), the Custodian of DX Evolution PCC Limited (the "Company"), given in accordance with Rule 6.04 of the Authorised Collective Investment Schemes (Class B) Rules 2013.

In our opinion, the Manager of the Company has managed the Company for the year ended 31 December 2016 in accordance with the provisions of:

- i) the principal documents; and
- ii) the Authorised Collective Investment Schemes (Class B) Rules, 2013 made under the provision of the Protection of Investors (Bailiwick of Guernsey) Law, 1987 (as amended).



Deutsche Bank International Limited (Guernsey Branch)

PO Box 424
Lefebvre Court
Lefebvre Street
St Peter Port
Guernsey
GY1 3WT

27 June 2017

Independent Auditors' Report to the Members of DX Evolution PCC Limited

Report on the audit of the financial statements

Our Opinion

In our opinion, the financial statements give a true and fair view of the financial position of DX Evolution PCC Limited (the "Company") as at 31 December 2016, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the requirements of The Companies (Guernsey) Law, 2008.

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2016;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to holders of participating shares for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's *responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Other information

The directors are responsible for the other information. The other information comprises Management and Administration, Report of the Directors, Report of the Investment Manager and Schedule of Investments (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, the requirements of Guernsey law and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report to the Members of DX Evolution PCC Limited (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Under The Companies (Guernsey) Law, 2008 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

This report, including the opinion, has been prepared for and only for the members as a body in accordance with Section 262 of The Companies (Guernsey) Law, 2008 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



PricewaterhouseCoopers CI LLP
Chartered Accountants
Guernsey, Channel Islands

28 June 2017

Statement of Financial Position

As at 31 December 2016

	Notes	DXE (€) Fund €	DXE (US\$) Fund US\$	Company Total €	Company 31 Dec 2015 €
Assets					
Current assets					
Financial assets at fair value through profit or loss	7	19,137,558	12,731,740	31,208,991	38,077,536
Other receivables and prepayments		-	-	-	6,590
Margin accounts		1,167,135	996,082	2,111,557	-
Cash and cash equivalents		210,769	188,455	389,450	5,040,999
Total assets		20,515,462	13,916,277	33,709,998	43,125,125
Equity					
Management shares	8	-	-	100	100
Current liabilities					
Redemptions payable		582,553	475,392	1,033,290	1,121,709
Accrued expenses	6	96,331	67,098	159,949	207,109
Margin accounts		162,533	122,469	278,650	-
Total current liabilities		841,417	664,959	1,471,889	1,328,818
Total liabilities (excluding net assets attributable to holders of participating shares)		841,417	664,959	1,471,889	1,328,818
Net assets attributable to holders of participating shares		19,674,045	13,251,318	32,238,009	41,796,207
Net Asset Value per Participating Share at 31 December 2016:	8	101.57	99.49		
Net Asset Value per Participating Share at 31 December 2015:		108.26	104.80		

The financial statements on pages 11 to 41 were approved by the Board of Directors on its behalf by:



Director

27 June 2017



Director

The notes on pages 15 to 41 form an integral part of these financial statements.

Statement of Comprehensive Income

For the year ended 31 December 2016

	Notes	DXE (€) Fund €	DXE (US\$) Fund US\$	Company Total €	Company 31 Dec 2015 €
Income					
Dividend Income		41,803	27,551	66,690	334,209
Interest income		3	73	69	710
Other income		15,301	14,177	28,107	972
Total net income		57,107	41,801	94,866	335,891
Expenses					
Management fees	9	329,141	218,514	526,526	791,593
Custodian fees	10	19,945	19,945	37,961	38,134
Administration fees	10	46,612	51,985	93,570	163,870
Company secretarial fees	9	36,559	40,465	73,111	95,458
Audit fees		38,367	15,215	52,111	56,023
Legal and professional fees		9,253	-	9,253	28,728
Directors' fees and expenses	9	64,677	39,989	100,799	119,166
Marketing expenses	9	130,489	86,259	208,407	281,690
Other operating expenses	11	203,351	139,879	329,705	447,206
Net foreign currency losses		8,877	2,561	11,190	(7,294)
Net changes in fair value on financial assets and financial liabilities at fair value through profit or loss	5	840,141	276,532	1,089,935	(4,757,047)
Total operating expenses / (income)		1,727,412	891,344	2,532,568	(2,742,473)
Operating (loss) / profit before finance costs		(1,670,305)	(849,543)	(2,437,702)	3,078,364
Finance costs					
Loan repayment fee		-	-	-	24,481
Credit facility fee		-	-	-	584,258
Interest expense on secured loans		-	-	-	122,667
Total finance costs		-	-	-	731,406
(Loss) / profit for the period before tax		(1,670,305)	(849,543)	(2,437,702)	2,346,958
Withholdings tax		(1,169)	-	(1,169)	(45,442)
(Loss) / profit for the period after tax		(1,671,474)	(849,543)	(2,438,871)	2,301,516
Other comprehensive income					
Movement in translation	19			307,833	2,217,958
Total comprehensive and other (loss) / profit attributable to holders of participating shares		(1,671,474)	(849,543)	(2,131,038)	4,519,474

The notes on pages 15 to 41 form an integral part of these financial statements.

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

For the year ended 31 December 2016

31 December 2016	DXE (€) Fund €	DXE (US\$) Fund US\$	Company Total €
Net assets attributable to holders of participating shares at 1 January 2016	26,300,441	16,837,733	41,796,207
Amounts paid on redemption of participating shares	(4,954,921)	(2,736,872)	(7,427,160)
Net decrease from participating shares transactions	(4,954,921)	(2,736,872)	(7,427,160)
Decrease in net assets attributable to holders of participating shares	(1,671,474)	(849,543)	(2,131,038)
Net assets attributable to holders of participating shares at 31 December 2016	19,674,045	13,251,318	32,238,009
31 December 2015			
Net assets attributable to holders of participating shares at 1 January 2015	35,467,099	24,769,985	55,937,014
Amounts paid on redemption of participating shares	(12,294,190)	(7,021,230)	(18,660,281)
Net decrease from participating shares transactions	(12,294,190)	(7,021,230)	(18,660,281)
Increase / (decrease) in net assets attributable to holders of participating shares	3,127,532	(911,022)	4,519,474
Net assets attributable to holders of participating shares at 31 December 2015	26,300,441	16,837,733	41,796,207

The notes on pages 15 to 41 form an integral part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2016

	DXE (€) Fund €	DXE (US\$) Fund US\$	Company Total €	Company 31 Dec 2015 €
Cash flows from operating activities				
Purchase of financial assets	-	-	-	(15,591,250)
Proceeds from sale of financial assets	4,582,685	1,667,288	6,088,760	67,391,012
Dividends received	42,972	27,551	67,859	315,186
Interest received	3	73	69	710
Other income received	15,301	14,177	28,107	972
Operating expenses paid	(900,826)	(634,098)	(1,473,612)	(2,034,459)
Net cash generated from operating activities	3,740,135	1,074,991	4,711,183	50,082,171
Cash flows from financing activities				
Redemption of participating shares	(4,740,058)	(1,886,019)	(6,443,714)	(19,187,010)
Interest paid on secured loan	-	-	-	(614,718)
Secured loan drawdown	-	-	-	(31,091,972)
Secured loan repaid	-	-	-	5,476,318
Loan repayment fees paid	-	-	-	(122,667)
Credit facility fees paid	-	-	-	(39,869)
Net cash used in financing activities	(4,740,058)	(1,886,019)	(6,443,714)	(45,579,918)
Net (decrease) / increase in cash and cash equivalents	(999,923)	(811,028)	(1,732,531)	4,502,253
Cash and cash equivalents at beginning of the period	2,413,659	2,854,873	5,040,999	480,836
Foreign currency gains / (losses)	8,877	2,561	11,190	7,294
Currency translation adjustment	-	-	(1,097,301)	50,616
Cash and cash equivalents at end of the period	1,215,371	1,062,068	2,222,357	5,040,999

The notes on pages 15 to 41 form an integral part of these financial statements.

Notes to the Financial Statements

For the year ended 31 December 2016

1. The Company

DX Evolution PCC Limited (the "Company") was incorporated and registered in Guernsey on 16 April 2012 as an Open-Ended Protected Cell Company. The Company has been authorised by the Guernsey Financial Services Commission as a Guernsey Class B Scheme under The Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended on 24 April 2012.

The Company launched with two cells (the "Funds") on 4 May 2012. The Funds in issue as at 31 December 2015 and 30 June 2016 were as follows:

- DXE (€) Fund
- DXE (US\$) Fund

The assets of the Company can be either cellular assets or non-cellular assets. The assets attributable to a cell comprise assets represented by the proceeds of cell share capital, reserves and any other assets attributable to that cell. Where a liability arises from a transaction in respect of a particular cell, the cellular assets attributable to that cell shall be liable and the liability shall not be a liability of assets attributable to any other cell or of the non-cellular assets unless the Company had entered into a recourse agreement. The Company has not entered into any recourse agreements.

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these Financial Statements are set-out below. These policies have been consistently applied, unless otherwise stated.

2.1 Basis of preparation

These Financial Statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board. The Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

The Company meets the definition of an investment entity as defined by IFRS 10 and is required to account for the investment in its subsidiaries at fair value through profit and loss.

These separate financial statements are the only financial statements presented by the Company.

(a) Standards effective on or after 1 January 2016

There were no new standards adopted during the year which impacted the results of the Company or the presentation of the Financial Statements.

IFRS10 and IAS28 'Investment entity amendments':- The amendments to investment entities applying the consolidation exception clarify the application of the consolidation exception for investment entities and their subsidiaries. The amendments become effective on or after 1 January 2016. None of these amendments are expected to have a significant effect on the financial statements of the Company.

(b) New standards, amendments and interpretations effective after 1 January 2016

IFRS 9, 'Financial Instruments': IFRS 9 replaces IAS 39, Financial Instruments will be classified based on the company's business model and nature of the cash flows it receives. IFRS 9 applies one classification approach for all types of financial assets, including those that contain embedded derivative features. Financial assets are therefore classified in their entirety rather than being subject to complex bifurcation requirements. Financial instruments will be classified based in the entity's business model for managing the financial instruments and the contractual cash flow characteristics of the financial instruments. This standard becomes effective for periods beginning on or after 1 January 2018.

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

2. Summary of Significant Accounting Policies (continued)

2.1 Basis of preparation (continued)

(b) New standards, amendments and interpretations effective after 1 January 2016 (continued)

IFRS 15, 'Revenue from Contracts with Customers': IFRS 15 presents new requirements for the recognition of revenue, replacing IAS 18 'Revenue', IAS 11 'Construction Contracts', and several revenue-related Interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas not covered in detail under existing IFRSs, including many common complexities. This standard becomes effective for periods beginning on or after 1 January 2018.

Based on the initial assessment, IFRS 9 is not expected to have a material impact on the Company. This is because the financial instruments currently measured at FVTPL will continue to be measured at FVTPL under IFRS 9 and those currently measured at amortised cost will continue to be measured at amortised cost under IFRS 9. Furthermore, no other standards, amendments or interpretations currently in issue are anticipated to materially impact the results of the Financial Statements of the Company.

2.2 Investment entity

The Company has multiple unrelated investors and holds multiple investments directly and indirectly through both listed investment funds and contract for differences in listed equities. Ownership interests in the Company are in the form of participating shares issued by the separate Funds which are classified as debt in accordance with IAS 32 and which are exposed to variable returns from changes in the fair value of the Company's net assets. The Company has been deemed to meet the definition of an investment entity per IFRS 10 as the following conditions exist:

- a) The Company has obtained funds for the purpose of providing investors with investment management services.
- b) The Company's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income, through direct investments and indirectly through listed investment funds.
- c) The performance of investments made directly and indirectly through listed investment funds are measured and evaluated on a fair value basis.

In accordance with IFRS 10 the Company will not consolidate subsidiary entities which themselves are classified as investment entities, instead, the Company will measure an investment in such a subsidiary at fair value through profit or loss in accordance with IFRS 9.

2.3 Financial instruments

Classification

In accordance with IAS 39 the Company has designated all of its investments as at fair value through profit or loss. This category comprises financial instruments designated at fair value through profit or loss upon initial recognition and includes financial assets that are not held for trading purposes and which may be sold. These investments are managed and their performance is evaluated on a fair value basis in accordance with the Company's documented investment strategy. The investments of the Company are principally in listed open-ended investment funds and Contract for Differences in listed equity securities.

All listed equity securities, contracts for differences and listed open-ended investment funds are valued in accordance with IFRS 13 and are valued using last traded price.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Company includes in this category cash and cash equivalents, due from brokers and other short term receivables with original maturities of three months or less.

Other financial liabilities include all financial liabilities, other than those classified as held for trading. The Company includes in this category bank overdrafts, due to brokers and other short term liabilities.

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

2. Summary of Significant Accounting Policies (continued)

2.3 Financial instruments (continued)

Recognition/derecognition

The Company recognises a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument.

Regular purchases and sales of investments and derivative contracts are recognised on the trade date - the date on which the Company commits to purchase or sell the investment. Investments and derivative contracts are derecognised when the rights to receive cash flows from the investments or derivative contracts have expired or the Company has transferred substantially all risks and rewards of ownership. Transaction costs are expensed as incurred in the Statement of Comprehensive Income.

The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

Measurement

Investments in contract for differences are valued at exposure between the contracted strike price and the year end price of the underlying instrument. Investments in open-ended investment funds are valued at the net asset value per share quoted by the manager or administrator of the underlying funds.

The investments into non consolidated subsidiaries which are deemed to be investment entities are valued at fair value. This is based on the net asset value per share quoted by the manager or administrator of the underlying funds. The Company values the underlying net assets of the investee subsidiaries in the same manner that it values its other investments.

Gains and losses arising on the disposal of investments are calculated by reference to the sale proceeds and the fair value attributable to the proportion of the investment sold. The resulting realised and change in unrealised gains and losses are reflected in the Statement of Comprehensive Income.

Other net changes in fair value on financial assets and financial liabilities at fair value through profit or loss in the Statement of Comprehensive Income include the change in fair value of the non consolidated subsidiaries.

Fair Value Estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded investment funds, derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. The Fund adopted IFRS 13, 'Fair value measurement', since inception and utilises the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

If a significant movement in fair value occurs subsequent to the close of trading up to midnight in Guernsey on the year end date, valuation techniques will be applied to determine the fair value. A significant event is any event that occurs after the last market price for a security, close of market or close of the foreign exchange, but before the Fund's valuation time that materially affects the integrity of the closing prices for any security, instrument, currency or securities affected by that event so that they cannot be considered 'readily available' market quotations.

2.4 Foreign currency translation

Functional and Presentation Currency

The books and records of the Funds are maintained in the currency in which their shares are issued and those currencies represent the functional currency of each of the Funds. These financial statements have been prepared in Euro, which represents the presentational currency at the Company level. The Directors have considered as a whole the currency to which the underlying investments are exposed, the original capital raised and the currency in which the capital will be returned on a break-up basis. The individual statements of each Fund are presented in the same currency as its respective functional currency.

Transactions and Balances

Transactions in currencies other than the functional currency of the Funds are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period monetary items and non-monetary assets and liabilities that are fair valued and are denominated in foreign currencies are retranslated at rates prevailing at the end of the reporting period. Gains and losses arising on translation are included in the Statement of Comprehensive Income for the period. Foreign exchange gains and losses relating to cash and cash equivalents are presented in the Statement of Comprehensive Income within 'Net foreign currency (losses) / gains'. Foreign exchange gains and losses relating to financial assets at fair value through profit or loss are presented in the Statement of Comprehensive Income within 'Net changes in fair value on financial assets and financial liabilities at fair value through profit or loss'.

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

2. Summary of Significant Accounting Policies (continued)

2.5 Income and expenses

Dividend income is recognised as and when dividends are declared and accounted for on an ex-dividend basis gross of any applicable withholding taxes.

Management fee and management fee rebates are recognised as at their respective calculation dates, further details are provided in note 9. All other expenses are recognised on an accrual basis.

2.6 Interest expense and transaction costs

Interest expense and transaction costs are recognised as incurred in the Statement of Comprehensive Income.

2.7 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

2.8 Taxation

The Company has obtained exemption from Guernsey Income Tax under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 and has paid an annual exemption fee of £1,200.

2.9 Accrued Expenses

Accrued expenses are recognised at fair value.

2.10 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.11 Cash and cash equivalents

Cash comprises current deposits with banks along with specific margin accounts (note 2.12) being operated to cover the exposure for investments in contract for differences. Cash equivalents are short-term highly liquid investments that are readily convertible within three months to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Any bank overdrafts are accounted for as current liabilities in the Statement of Financial Position and the interest expense is recorded using the effective interest rate method.

2.12 Margin accounts

Margin accounts along with current deposits with banks (note 2.11) are being operated to cover the exposure for investments in contract for differences.

2.13 Due from and due to brokers

Amounts due from brokers include receivables for securities sold that have been contracted for but not yet delivered on the Statement of Financial Position date. Amounts due to brokers are payables for securities purchased that have been contracted for but not yet delivered on the Statement of Financial Position date.

These amounts are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment for amounts due from brokers.

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

2. Summary of Significant Accounting Policies (continued)

2.14 Currency adjustment on translation

The assets and liabilities of the Funds are translated into Euro (€), the Company's reporting currency, using the rate of exchange ruling at the Statement of Financial Position date. The gains and losses included in the Statement of Comprehensive Income are translated into Euro (€) for amalgamation purposes using an average rate of exchange for the period. The share capital and share premium accounts are translated at the rate ruling at the date of the transaction and the unrealised surplus/deficit on investments is translated at the rate ruling at the Statement of Financial Position date. Exchange differences arising on translation are shown separately in the Statement of Changes in Net Assets Attributable to Holders of Participating Shares at the Company level and this adjustment has no effect on the value of net assets allocated to the individual Funds.

2.15 Related parties

Parties are considered to be related to each other when one party to a transaction can exercise an influence over the decision of the other party in such a way as to have an impact over the overall financial performance of the other party. Related parties are detailed within specific notes to the financial statements.

2.16 Increase/decrease in net assets attributable to holders of participating shares

Income not distributed is included in net assets attributable to holders of participating shares.

2.17 Participating shares

The Funds issue participating shares, which are redeemable at the holder's option. Such shares are classified as financial liabilities. Participating shares can be put back to the Funds at any dealing date for cash equal to a proportionate share of the Fund's net asset value attributable to holders of participating shares. Participating shares are redeemable monthly.

Participating shares are issued and redeemed at the holder's option at prices based on the Fund's net asset value per share at the time of issue or redemption. The Fund's net asset value per participating share is calculated by dividing the net asset attributable to the holders of participating shares with the total number of outstanding participating shares.

The NAV per Participating Share shown within the Statement of Financial Position is based on the NAV of the Participating Shares in issue at the Statement of Financial Position date.

3. Critical Accounting Estimates and Judgements

The preparation of financial statements, in conformity with IFRS, requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the Company's accounting policies.

Estimates and judgements are reviewed on an on going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In the opinion of the Manager, the net asset value per share quoted by the manager or administrator of the underlying investment fund is an accurate reflection of the fair value of the Fund's investment.

Functional currency

The Board of Directors considers the Euro (€) as the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The Euro (€) is the currency in which the Company measures its performance and reports its results.

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

4. Subsidiary Undertakings Accounted For at Fair Value through Profit or Loss

The Funds have the following voting rights and ownership interests in classes of regulated investment funds:

	DXE Fund	Country of incorporation	Ownership interest
Regulated investment funds held at 31 December 2016			
Dominion Global Trends – Managed Fund EUR A Class	DXE (€)	Malta	100.00%
Dominion Global Trends – Luxury Consumer Fund EUR IC Class	DXE (€)	Malta	89.16%
Dominion Global Trends – Ecommerce Fund EUR B Class	DXE (€)	Malta	58.35%
Dominion Global Trends – Managed Fund USD BH Class	DXE (US\$)	Malta	100.00%
Dominion Global Trends – Luxury Consumer Fund USD BH Class	DXE (US\$)	Malta	100.00%
Dominion Global Trends – Ecommerce Fund USD BH Class	DXE (US\$)	Malta	95.19%
Dominion Global Trends Managed Pro EUR Fund	DXE (€)	Guernsey	62.03%
Dominion Global Trends Managed Pro EUR Fund	DXE (US\$)	Guernsey	37.44%
Regulated investment funds held at 31 December 2015			
Dominion Global Trends – Managed Fund EUR A Class	DXE (€)	Malta	46.00%
Dominion Global Trends – Luxury Consumer Fund EUR IC Class	DXE (€)	Malta	11.24%
Dominion Global Trends – Ecommerce Fund EUR B Class	DXE (€)	Malta	51.25%
Dominion Global Trends – Managed Fund USD BH Class	DXE (US\$)	Malta	25.39%
Dominion Global Trends – Luxury Consumer Fund USD BH Class	DXE (US\$)	Malta	6.17%
Dominion Global Trends – Ecommerce Fund USD BH Class	DXE (US\$)	Malta	26.40%
Dominion Global Trends Managed Pro EUR Fund	DXE (€)	Guernsey	60.36%
Dominion Global Trends Managed Pro EUR Fund	DXE (US\$)	Guernsey	35.57%

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

4. Subsidiary Undertakings Accounted For at Fair Value through Profit or Loss (continued)

Dominion Global Trends - Managed Fund, Dominion Global Trends - Luxury Consumer Fund and Dominion Global Trends - Ecommerce Fund are sub-funds of Dominion Global Trends SICAV plc ("Dominion Global Trends"). Dominion Global Trends has issued 2 Founder Shares with no nominal value, which constitute a separate Class of Shares of Dominion Global Trends and does not constitute a sub-fund. The Founder Shares have been issued to the Manager. Holders of Founder Shares shall have the right to receive notice of, attend and vote on any matter requiring the approval of Shareholders generally as contained in the Memorandum and Articles of Association of Dominion Global Trends and applicable law. Holders of Founder Shares shall not be entitled to participate in any dividends or other distribution of Dominion Global Trends - Managed Fund or Dominion Global Trends - Luxury Consumer Fund or Dominion Global Trends - Ecommerce Fund or in the assets of the Dominion Global Trends - Managed Fund or Dominion Global Trends - Luxury Consumer Fund or Dominion Global Trends - Ecommerce Fund on a winding up (other than the return of the paid up capital after payment of all amounts due to the holders of Investor Shares). On this basis the Company does not have control over Dominion Global Trends.

DXE (€) Fund as at the period end has invested €3,723,575 into the equity of Dominion Global Trends - Managed Fund and invested €4,053,306 into the equity of Dominion Global Trends - Luxury Consumer Fund and €3,797,349 into the equity of Dominion Global Trends - Ecommerce Fund. DXE (US\$) Fund as at the period end had invested US\$3,179,889 into the equity of Dominion Global Trends - Managed Fund and invested US\$3,345,493 into the equity of Dominion Global Trends - Luxury Consumer Fund and US\$3,168,990 into the equity of Dominion Global Trends - Ecommerce Fund.

Dominion Global Trends Managed Pro PCC Limited ("DGT Managed Pro") has issued 100 Core Shares with a value of £1.00 each. The Core Shares have been issued to the Manager. Holders of Core Shares shall have the right to receive notice of, attend and vote on any matter requiring the approval of Shareholders generally as contained in the Memorandum and Articles of Incorporation of DGT Managed Pro and applicable law. Holders of Core Shares shall not be entitled to participate in any dividends or other distribution of DGT Managed Pro on a winding up (other than the return of the paid up capital after payment of all amounts due to the holders of Investor Shares). On this basis the Company does not have control over DGT Managed Pro.

DXE (€) Fund as at the period end has invested €4,667,319 into the equity of Dominion Global Trends Managed Pro EUR Fund and DXE (US\$) Fund as at the period end had invested US\$3,778,600 into the equity of Dominion Global Trends Managed Pro EUR Fund.

As at 31 December 2016 and 31 December 2015 there were no capital commitment obligations and no amounts due to the above fund classes for unsettled contractual obligations.

5. Net Changes in Fair Value on Financial Assets and Financial Liabilities at Fair Value through Profit or Loss

	DXE (€) Fund €	DXE (US\$) Fund US\$	Company Total €	Company 31 Dec 2015 €
31 December 2016				
Realised gain / (loss) on financial assets and financial liabilities at fair value through profit or loss	1,045,369	(149,743)	910,105	12,889,323
Unrealised (loss) on financial assets and financial liabilities at fair value through profit or loss	(1,894,387)	(129,350)	(2,011,230)	(8,132,275)
Net changes in fair value on financial assets and financial liabilities at fair value through profit or loss	(849,018)	(279,093)	(1,101,125)	4,757,047

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

6. Accrued Expenses

31 December 2016	DXE (€) Fund €	DXE (US\$) Fund US\$	Company Total €	Company 31 Dec 2015 €
Administration fees payable	5,365	4,132	9,283	13,241
Audit fees payable	29,954	13,242	42,509	32,152
Custodian fees payable	4,973	5,973	10,636	19,781
Company secretarial fees payable	8,731	9,208	17,461	21,621
Directors' fees payable	4,747	3,497	8,063	28,665
Management fees payable	28,863	19,586	47,434	61,611
Marketing fees payable	9,623	6,530	15,815	20,066
Disbursements payable to Manager	-	-	-	1,536
Other creditors	4,075	4,930	8,748	8,436
Total	96,331	67,098	159,949	207,109

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

7. Financial Assets at Fair Value through Profit or Loss

31 December 2016	DXE (€) Fund €	DXE (US\$) Fund US\$	Company Total €	Company 31 Dec 2015 €
Financial assets at fair value through profit or loss:				
Designated at fair value through profit or loss upon initial recognition:				
Investment Funds	18,323,756	12,092,772	29,789,359	37,715,899
Contract for differences	813,802	638,968	1,419,631	361,637
Total Financial Assets at Fair Value Through Profit or Loss	19,137,558	12,731,740	31,208,990	38,077,536
31 December 2016				
Opening balance as at 1 January	24,569,261	14,678,121	38,077,536	82,154,701
Purchase of financial assets at fair value through profit or loss	-	-	-	15,591,250
Sale of financial assets at fair value through profit or loss	(4,582,685)	(1,667,288)	(6,088,760)	(67,391,012)
Realised gains on financial assets at fair value through profit or loss	1,045,369	(149,743)	910,105	12,889,323
Change in unrealised losses on financial assets at fair value through profit or loss	(1,894,387)	(129,350)	(2,011,230)	(8,132,275)
Currency translation adjustment	-	-	321,340	2,965,549
Closing balance as at 31 December 2016	19,137,558	12,731,740	31,208,991	38,077,536

Financial assets and financial liabilities recorded at fair value are analysed by using a fair value hierarchy that reflects the significance of inputs. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in an active market for identical assets and liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The fair value of financial assets and financial liabilities that are not traded in an active market is determined by using valuation techniques. Valuation techniques used include the use of comparable recent arm's length transactions and other valuation techniques commonly used by market participants.

In some instances, the inputs used to measure fair value might fall into different levels of the fair value hierarchy. The level in the fair value hierarchy within which the fair value measurement is classified in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

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

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

7. Financial Assets at Fair Value through Profit or Loss (continued)

As at 31 December 2016 and 31 December 2015 all Investment Funds are classified as Level 1 and Level 2. During 2015 and 2016, the Fund has utilised contracts for differences in long and short positions. They are equity based contracts for differences and have been classed as Level 2 in the fair value heirarchy. Aquisition costs have been expensed to the Statement of Comprehensive Income during the period. A summary of the transactions involved is summarised in the tables below.

	31 Dec 2016 Total €	31 Dec 2015 Total €
DXE (€) Fund		
Financial assets at fair value through profit or loss		
Investment Funds - Level 1	18,323,756	23,341,097
Contract for Differences - Level 2	1,304,963	391,048
	19,628,719	24,732,145
	31 Dec 2016 Total €	31 Dec 2015 Total €
DXE (€) Fund		
Financial liabilities at fair value through profit or loss		
Contract for Differences - Level 2	(491,161)	(162,884)
	31 Dec 2016 Total US\$	31 Dec 2015 Total US\$
DXE (US\$) Fund		
Financial assets at fair value through profit or loss		
Investment Funds - Level 1	12,092,772	14,533,089
Contract for Differences - Level 2	890,048	242,914
	12,982,820	14,776,003
	31 Dec 2016 Total US\$	31 Dec 2015 Total US\$
DXE (US\$) Fund		
Financial liabilities at fair value through profit or loss		
Contract for Differences - Level 2	(251,080)	(97,882)

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

7. Financial Assets at Fair Value through Profit or Loss (continued)

Contracts for Differences 2016

The below table shows the Contracts for difference split by counterparty;

	Initial contract value €	Acquisition costs €	Contract value at year end €	Unrealised gain/(loss) €
DXE (€) Fund				
Aalberts Industries NV	388,024	388,024	462,053	74,480
Ashtead Group	382,902	382,902	560,078	151,367
Assa Abloy	430,218	430,218	331,911	(98,307)
Dassault Systems SA	536,530	536,530	527,945	(8,585)
Delphi Automotive Plc	368,908	368,908	294,205	(74,703)
Halma Plc	790,082	790,082	910,527	120,445
Hexagon AB	366,020	366,020	564,802	198,782
iShares S&P Global Healthcare Sector	1,752,940	1,752,940	1,443,374	(309,566)
Kuka AG	363,243	363,243	409,807	46,564
Mueller Water Products Inc	312,167	312,167	536,446	224,279
Tetra Tech	285,236	285,236	518,061	232,825
Xylem inc	456,738	456,738	712,959	256,221
Total	6,433,008	6,433,008	7,272,168	813,802
	Initial contract value (US\$)	Acquisition costs (US\$)	Contract value at year end (US\$)	Unrealised gain/(loss) (US\$)
DXE (US\$) Fund				
Aalberts Industries NV	397,870	397,870	424,372	26,502
Ashtead Group	342,099	342,099	497,592	155,493
Assa Abloy	387,276	387,276	377,166	(10,110)
Dassault Systems SA	480,838	480,838	472,639	(8,199)
Delphi Automotive Plc	326,456	326,456	264,887	(61,569)
Halma Plc	755,084	755,084	859,382	104,298
Hexagon AB	328,061	328,061	345,461	17,400
iShares S&P Global Healthcare Sector	1,062,510	1,062,510	891,308	(171,202)
Kuka AG	321,692	321,692	360,122	38,430
Mueller Water Products Inc	305,513	305,513	472,771	167,258
Tetra Tech	276,012	276,012	459,116	183,104
Xylem inc	440,453	440,453	638,016	197,563
Total	5,423,864	5,423,864	6,062,832	638,968

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

7. Financial Assets at Fair Value through Profit or Loss (continued)

Contracts for Differences 2015

The below table shows the Contracts for difference split by counterparty;

	Initial contract value €	Acquisition costs €	Contract value at year end €	Unrealised gain/(loss) €
DXE (€) Fund				
Aalberts Industries NV	388,024	388,024	476,596	88,572
Ashtead Group	370,681	370,681	407,883	37,202
Assa Abloy	437,413	437,413	447,848	10,435
Dassault Systems SA	536,530	536,530	537,267	736
Delphi Automotive Plc	364,529	364,529	376,499	11,970
Halma Plc	779,608	779,608	908,774	129,166
Hexagon AB	372,141	372,141	379,898	7,757
iShares S&P Global Healthcare Sector	1,768,104	1,768,104	1,605,220	(162,884)
Kuka AG	363,243	363,243	382,113	18,870
Mueller Water Products Inc	319,038	319,038	339,505	20,467
Tetra Tech	293,158	293,158	305,985	12,827
Xylem inc	467,682	467,682	520,728	53,046
Total	6,460,151	6,460,151	6,688,316	228,164
	Initial contract value (US\$)	Acquisition costs (US\$)	Contract value at year end (US\$)	Unrealised gain/(loss) (US\$)
DXE (US\$) Fund				
Aalberts Industries NV	394,088	394,088	434,655	40,567
Ashtead Group	335,183	335,183	368,822	33,639
Assa Abloy	397,426	397,426	406,907	9,481
Dassault Systems SA	486,615	486,615	487,283	667
Delphi Automotive Plc	326,456	326,456	337,176	10,720
Halma Plc	736,663	736,663	829,961	93,298
Hexagon AB	336,659	336,659	343,676	7,017
iShares S&P Global Healthcare Sector	1,062,510	1,062,510	964,628	(97,882)
Kuka AG	325,557	325,557	342,469	16,912
Mueller Water Products Inc	305,513	305,513	305,472	(41)
Tetra Tech	276,012	276,012	276,853	841
Xylem inc	440,453	440,453	470,266	29,813
Total	5,423,135	5,423,135	5,568,168	145,032

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

7. Financial Assets at Fair Value through Profit or Loss (continued)

These instruments are highly volatile and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a profit or loss which is high in proportion to the amount of funds actually placed as initial margin and may result in unquantifiable further loss exceeding any margin deposited. Transactions in over-the-counter contracts may involve additional risk as there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of a position or to assess the exposure to risk. Contractual asymmetries and inefficiencies can also increase risk, such as break clauses, whereby a counterparty can terminate a transaction on the basis of a certain reduction in Net Asset Value, incorrect capital calls or delays in collateral recovery.

The Fund is also dependent on the willingness of counterparties to enter into off-exchange contracts with the Fund. Failure to identify or delay in identifying such counterparties could limit the ability of the Fund to carry on their business. In addition, assets deposited as margin balances with brokers will not be held in segregated accounts by the brokers and may therefore become available to such brokers in the event of their insolvency or bankruptcy.

8. Shares in Issue

31 December 2016	DXE (€) Fund	DXE (US\$) Fund	Company Total	Company 31 Dec 2015
Number of shares in issue				
Management Shares in issue of €1 each at 31 December	-	-	100	100
Participating Shares of no par value each				
Balance at 1 January	242,926.546	160,669.263	403,595.809	575,978.008
Redeemed during the period	(49,224.763)	(27,472.785)	(76,697.548)	(172,382.199)
Shares in issue at 31 December	193,701.784	133,196.478	326,898.262	403,595.809
31 December 2016	€	US\$	€	€
Value of shares in issue				
Management Shares in issue of €1 each at 31 December	-	-	100	100
Participating Shares of no par value each				
Balance at 1 January	24,042,942	13,315,078	34,486,172	53,146,453
Redeemed during the period	(4,954,921)	(2,736,872)	(7,427,160)	(18,660,281)
Balance at 31 December	19,088,021	10,578,206	27,059,012	34,486,172
	DXE (€) Fund	DXE (US\$) Fund	Company Total	Company 31 Dec 2015
Accumulated increase in net assets attributable to holders of participating shares	586,024	2,673,112	1,635,404	2,508,973
Currency translation reserve	-	-	3,543,593	281,588
Net assets attributable to holders of participating shares	19,674,045	13,251,318	32,238,009	37,276,733
Net Asset Value per Participating Share	101.57	99.49		

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

8. Shares in Issue (continued)

Management Shares have been issued at par and are beneficially owned by Dominion Fund Management Limited (the "Manager"). Management Shares are not redeemable and do not carry any rights to receive dividends. On the winding up of the Company, the holders shall only be entitled to the return of capital paid up by them. The holders of the shares are entitled, on a poll, to one vote for each undivided share.

Unclassified Shares were termed as such, pending issue. They could be issued as Participating Shares ("Participating Shares") linked to any of the Funds. Participating Shares could be issued and redeemed at prices based on the value of the Fund's net assets at the date of the issue or redemption as determined in accordance with the Articles of Incorporation. On redemption of Participating Shares, a redemption charge will be imposed and it will be retained for the benefit of the Fund after payment of all outstanding fees owing to the Manager pursuant to the Management Agreement.

Participating Shares carry a right to receive notice of and attend general meetings of the Company but do not carry any right to vote at such meetings. Holders of Participating Shares have a right to dividends as determined by the Directors.

In order to be redeemable shares under the laws of Guernsey, Participating Shares must have a preference over some other class of share. Management Shares have been created in order that Participating Shares may be issued.

The nominal value of Management Shares represents the total value of the equity interests included in Shareholders' Funds.

9. Management Fees and Certain Other Related Party Transactions

All related parties, and the basis of the fees which those related parties are entitled to receive, remain unchanged from those disclosed in the most recent annual financial statements of the Company.

Management Fees

The Manager is entitled to receive a fee from the Funds calculated at the annual rate set out below, and is payable in arrears on the last Business Day in each calendar month.

- a) The management fee payable by the DXE (€) Fund is based on 1.5% per annum of the NAV of the Fund.
- b) The management fee payable by the DXE (US\$) Fund is based on 1.5% per annum of the NAV of the Fund.

In addition to the above, the Manager is entitled, in the event that any shares were redeemed within a period of five years from and including the date on which the shares were issued, to receive a fee (payable out of the Redemption Charge) equal to the fee that would have been payable in respect of the management fee for the balance of the five year period.

The management fees for the period amounted to €329,141 and US\$218,514 (31 December 2015: €505,962 and US\$315,025) and balances outstanding at the year-end are disclosed in note 6.

Marketing Fees

The Company or the Manager may appoint a Dominion Associate or a third party service provider to provide marketing consultancy services at a fee of 0.50% per annum of the Net Asset Value of the Company.

The fees paid to Simple Steps Limited (formerly Dominion Marketing Limited) for the period amounted to €130,489 (2015: €180,568) and US\$86,529 (2015: US\$111,529) and balances outstanding at the year-end are disclosed in note 6. Simple Steps Limited is a related party of the Manager as they share common control.

Company Secretarial Fees

Dominion Fund Management Limited, as Company Secretary is entitled to receive a fee at £250 per hour subject to a minimum fee of £30,000 per annum per Fund.

The fees for the year amounted to €36,559 (2015: €41,820) and US\$40,465 (2015: US\$59,158) and balances outstanding at the year-end are disclosed in note 6.

Directors Fees and Expenses

Each of the Directors is entitled to receive a fee from the Company, currently £15,000 per annum, with the exception of Mr. Robin Fuller who is entitled to receive a fee, currently £35,000 per annum. The fees for the year amounted to €64,677 (2015: €75,616) and US\$39,989 (2015: US\$48,032) and balances outstanding at the year-end are disclosed in note 6.

Related party shareholdings

As at 31 December 2016 and 31 December 2015, the Manager held 100 management shares in the Company.

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

10. Material Contracts

Custodian fees

Deutsche Bank International Limited (Guernsey Branch) (the "Custodian") were appointed on 12 April 2013 and is entitled to receive a fee, denominated in the individual Fund's currency, calculated at the annual rate of 0.030% of the NAV up to €/US\$ 100,000,000, 0.025% of the NAV exceeding €/US\$ 100,000,000 and up to €/US\$ 200,000,000 and 0.020% thereafter, subject to a minimum annual fee payable of €20,000 and US\$20,000 in the respective Funds. The fees are payable 28 days after presentation of the Custodian's Invoice to the Fund.

The Custodian is also entitled to recovery of out-of-pocket expenses reasonably incurred in the performance of its duties for the Fund, including the costs of appointing any sub-custodian.

The fees for the year amounted to €19,945 (2015: €20,000) and US\$19,945 (2015: US\$20,000) and balances outstanding at the year-end are disclosed in note 6.

Administration fees

Louvre Fund Services Limited were appointed as administrators with effect from 1 July 2015, (the "Administrator") and were entitled to receive a fee calculated at the annual rate of 0.1% of the NAV, subject to a minimum annual fee payable of £35,000 per annum per existing fund. The fees are payable within 20 days of receipt of an invoice from the Administrator.

The Administrator is also entitled to recovery of out-of-pocket expenses reasonably incurred in the performance of its duties for the Funds.

The fees for the year amounted to €46,612 (2015: €97,663) and US\$51,985 (2015: US\$73,020) and balances outstanding at the year-end are disclosed in note 6.

11. Other Operating Expenses

	DXE (€) Fund €	DXE (US\$) Fund US\$	Company Total €	Company 2015 €
Pricing and Listing Fees	34,680	-	34,680	57,871
Annual Fees	3,181	2,062	5,044	5,939
Tax Expense	1,516	616	2,072	2,805
Registrar Fees	40,116	25,708	63,338	125,361
Disbursements	-	-	-	86,744
Miscellaneous	123,858	111,493	224,571	168,486
	203,351	139,879	329,705	447,206

12. Net Asset Value Reconciliation

Reconciliation of NAV to Published NAV	DXE (€) €	Per Share	DXE (US\$) US\$	Per Share
Published Net Asset Value as at 31 December 2016	19,684,521	101.62	13,300,576	99.86
Adj Fair Value of Financial Assets as at 30 December 2016	(73,800)	(0.38)	(49,258)	(0.37)
Adjusted Net Asset Value per financial statements	19,610,721	101.24	13,251,318	99.48

There were no adjustments to the Published Net Asset Values as at 31 December 2015.

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

13. Litigation

Neither the Funds nor the Company has, since its incorporation, been engaged in any legal or arbitration proceedings. There are no legal or arbitration proceedings pending against the Company which may have a significant effect on the financial position of any of the Funds or the Company.

14. Ultimate Controlling Party

In the opinion of the Directors, there was no immediate or ultimate controlling party of the Company.

15. Financial Instruments

The investment objective of each Fund is to achieve capital appreciation over the medium to long term while seeking to achieve these investment returns with low risk and volatility. As at 31 December 2016 each Fund invested in contracts for differences in listed equity securities and listed open-ended investment funds.

The main risks arising from the Company's financial instruments were market risk, credit risk and liquidity risk. The Directors review and agree policies with the Manager for managing these risks and they are summarised below.

15.1 Market risk

Market risk embodies the potential for both losses and gains and includes price risk, currency risk and interest rate risk.

(a) Price risk

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market process (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual instrument or its issuer, or factors affecting financial instruments traded in the market.

The Manager managed the Company's market risk by monitoring the investment portfolio on a daily basis in accordance with the investment objectives and policies as set out in the relevant Supplemental Offering Memorandum. The Company's overall market positions were monitored on a weekly basis by the Directors.

The table below summarises the sensitivity of the Funds' net assets attributable to holders of participating shares to equity price movements as at 31 December 2016. The analysis is based on the assumptions that the MSCI World Index increased by 10 and decreased by 10 with all other variables held constant, and that the fair value of the Funds' portfolio of equity securities moved according to their historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the MSCI World Index.

The impact below arises from the reasonable possible change in the fair value of equities:

	DXE (€) Fund €	DXE (US\$) Fund US\$
2016		
Change in face value of fund assets assuming an increase in Value of 10 on the MSCI World Index	1,913,756	1,273,174
Change in face value of fund assets assuming a decrease in Value of 10 on the MSCI World Index	(1,913,756)	(1,273,174)
2015		
Change in face value of fund assets assuming an increase in Value of 10 on the MSCI World Index	2,456,926	1,467,812
Change in face value of fund assets assuming a decrease in Value of 10 on the MSCI World Index	(2,456,926)	(1,467,812)

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

15. Financial Instruments (continued)

15.1 Market risk (continued)

(a) Price risk (continued)

The Manager does not manage the Funds' investment strategy to track the MSCI World Index or any other index or external benchmark. The sensitivity analysis presented is based upon the portfolio composition as at 31 December. The composition of the Funds' investment portfolio, including the use of leverage, is expected to change over time. The sensitivity analysis prepared as of 31 December is not necessarily indicative of the effect on the Funds' net assets attributed to participating shares of future movements in the level of the MSCI World Index.

The Fund's exposure to market price risk now arises from adverse movements in the market value of the listed open-ended investment funds and contract for differences in listed equity securities held by the Company. This risk is actively managed through a selective use of diversification to reduce volatility in tandem with the thinking that this creates an optimal portfolio in terms of risks and rewards.

(b) Foreign currency risk

The shares in the DXE (US\$) Fund are issued and redeemed in US Dollars, the shares in the DXE (€) Fund are issued and redeemed in Euros. Some investments held by the Funds are denominated in currencies other than the US Dollar and the Euro, respectively. Accordingly the value of the Company's assets, as well as the value of an investment in shares of the relevant Fund may have been affected favourably or unfavourably by fluctuations in exchange rates. The Directors are under no obligation to (although they could at their discretion) hedge currency risk, although the Directors of the Company monitored the foreign currency risk.

The following tables show the Company's currency exposures as at 31 December 2016:

		Financial Assets at fair value through profit or loss €	Other receivables and prepayments €	Cash and cash equivalents €	Total €
DXE (€) Fund					
Euros	EUR	18,495,973	186	300,683	18,796,842
US Dollars	USD	315,076	(131)	(144,514)	170,431
Pounds Sterling	GBP	318,156	(55)	63,138	381,239
Swedish Krona	SEK	8,353	-	(8,538)	(185)
		19,137,558	-	210,769	19,348,327
		Financial Assets at fair value through profit or loss US\$	Other receivables and prepayments US\$	Cash and cash equivalents US\$	Total US\$
DXE (US\$) Fund					
US Dollars	USD	9,759,773	-	251,139	10,010,912
Euros	EUR	2,704,886	-	(114,967)	2,589,919
Pounds Sterling	GBP	259,791	-	59,615	319,406
Australian Dollars	AUD	-	-	172	172
Swedish Krona	SEK	7,290	-	(7,504)	(214)
		12,731,740	-	188,455	12,920,195

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

15. Financial Instruments (continued)

15.1 Market risk (continued)

(b) Foreign currency risk (continued)

The tables below sets out the effect on the net assets attributable to holders of redeemable shares of a reasonably possible weakening/strengthening of the functional currency against the individual foreign currencies by $\pm 5\%$. The analysis assumes that all other variables, in particular interest rates, remain constant.

31 December 2016

DXE (€) - Currency Movement

Currency	EUR	% of Net Assets	Net asset increase/decrease if exchange rate moves by $\pm 5\%$	Increase/decrease as a % of Net Assets
USD	170,431	0.87%	8,522	0.04%
GBP	381,239	1.94%	19,062	0.10%
SEK	(185)	0.00%	(9)	0.00%
	551,485	2.80%	27,574	0.14%

DXE (US\$) - Currency Movement

Currency	USD	% of Net Assets	Net asset increase/decrease if exchange rate moves by $\pm 5\%$	Increase/decrease as a % of Net Assets
EUR	2,589,919	19.54%	129,496	0.98%
GBP	319,406	2.41%	15,970	0.12%
AUD	172	0.00%	9	0.00%
SEK	(214)	0.00%	(11)	0.00%
	2,909,283	21.95%	145,464	1.10%

The following tables show the Company's currency exposures as at 31 December 2015:

		Financial Assets at fair value through profit or loss €	Other receivables and prepayments €	Cash and cash equivalents €	Total €
DXE (€) Fund					
Euros	EUR	24,449,275	3,302	2,210,009	26,662,586
US Dollars	USD	(64,574)	-	(63,311)	(127,885)
Pounds Sterling	GBP	166,368	-	268,891	435,259
Australian Dollars	AUD	-	-	263	263
Swedish Krona	SEK	18,192	-	(2,193)	15,999
		24,569,261	3,302	2,413,659	26,986,222

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

15. Financial Instruments (continued)

15.1 Market risk (continued)

(b) Foreign currency risk (continued)

31 December 2015

		Financial Assets at fair value through profit or loss US\$	Other receivables and prepayments US\$	Cash and cash equivalents US\$	Total US\$
DXE (US\$) Fund					
US Dollars	USD	10,973,761	3,464	1,576,466	12,553,691
Euros	EUR	3,560,925	-	903,818	4,464,743
Pounds Sterling	GBP	126,937	-	376,404	503,341
Australian Dollars	AUD	-	-	173	173
Swedish Krona	SEK	16,498	-	(1,988)	14,510
		14,678,121	3,464	2,854,873	17,536,458

DXE (€) - Currency Movement

Currency	EUR	% of Net Assets	Net asset increase/ decrease if exchange rate moves by ± 5%	Increase/ decrease as a % of Net Assets
USD	(127,885)	-0.49%	(6,394)	-0.02%
GBP	435,259	1.65%	21,763	0.08%
AUD	263	0.00%	13	0.00%
SEK	15,999	0.06%	800	0.00%
	323,636	1.22%	16,181	0.06%

DXE (US\$) - Currency Movement

Currency	USD	% of Net Assets	Net asset increase/ decrease if exchange rate moves by ± 5%	Increase/ decrease as a % of Net Assets
EUR	4,464,743	26.52%	223,237	1.33%
GBP	503,341	2.99%	25,167	0.15%
AUD	173	0.00%	9	0.00%
SEK	14,510	0.09%	726	0.00%
	4,982,767	29.60%	249,138	1.48%

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

15. Financial Instruments (continued)

15.1 Market risk (continued)

(c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest bearing assets do not generate a significant amount of interest and changes in market interest rates do not have any significant direct effect on the Company's income.

The Company's interest rate risk was principally as a result of the short-term borrowings that the Company used to utilise (Note 16). Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings at fixed rates expose the Company to fair value interest rate risk.

Trade and other receivables and trade and other payables are interest free and with a term of less than one year, so it is assumed that there is no interest rate risk associated with these financial assets and liabilities.

The interest rate profile of the Company's financial assets and liabilities at 31 December 2016 is as follows:

	Interest bearing within one year €	Interest bearing more than one year €	Non interest bearing €	Total €
DXE (€) Fund				
Assets				
Financial assets at fair value through profit or loss	-	-	19,137,558	19,137,558
Other receivables and prepayments	-	-	-	-
Margin accounts	1,167,135	-	-	1,167,135
Cash and cash equivalents	210,769	-	-	210,769
Total assets	1,377,904	-	19,137,558	20,515,462
Liabilities (including net assets attributable to holders of participating shares)				
Redemptions payable	-	-	582,553	582,553
Accrued expenses	-	-	96,331	96,331
Margin accounts	162,533	-	-	162,533
Net assets attributable to holders of participating shares	-	-	19,674,045	19,674,045
Total liabilities	162,533	-	20,352,929	20,515,462
Interest rate sensitivity gap	1,215,371	-	(1,215,371)	-

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

15. Financial Instruments (continued)

15.1 Market risk (continued)

(c) Interest rate risk (continued)

	Interest bearing within one year US\$	Interest bearing more than one year US\$	Non interest bearing US\$	Total US\$
DXE (US\$) Fund				
Assets				
Financial assets at fair value through profit or loss	-	-	12,731,740	12,731,740
Other receivables and prepayments	-	-	-	-
Margin accounts	996,082	-	-	996,082
Cash and cash equivalents	188,455	-	-	188,455
Total assets	1,184,537	-	12,731,740	13,916,277
Liabilities (including net assets attributable to holders of participating shares)				
Redemptions payable	-	-	475,392	475,392
Accrued expenses	-	-	67,098	67,098
Margin accounts	122,469	-	-	122,469
Net assets attributable to holders of participating shares	-	-	13,251,318	13,251,318
Total liabilities	122,469	-	13,793,808	13,916,277
Interest rate sensitivity gap	1,062,068	-	(1,062,068)	-

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

15. Financial Instruments (continued)

15.1 Market risk (continued)

(c) Interest rate risk (continued)

The interest rate profile of the Company's financial assets and liabilities at 31 December 2015 is as follows:

	Interest bearing within one year €	Interest bearing more than one year €	Non interest bearing €	Total €
DXE (€) Fund				
Assets				
Financial assets at fair value through profit or loss	-	-	24,569,261	24,569,261
Other receivables and prepayments	-	-	3,302	3,302
Cash and cash equivalents	2,413,659	-	-	2,413,659
Total assets	2,413,659	-	24,572,563	26,986,222
Liabilities (including net assets attributable to holders of participating shares)				
Secured loans	-	-	-	-
Redemptions payable	-	-	563,716	563,716
Accrued expenses	-	-	122,065	122,065
Net assets attributable to holders of participating shares	-	-	26,300,441	26,300,441
Total liabilities	-	-	26,986,222	26,986,222
Interest rate sensitivity gap	2,413,659	-	(2,413,659)	-

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

15. Financial Instruments (continued)

15.1 Market risk (continued)

(c) Interest rate risk (continued)

The interest rate profile of the Company's financial assets and liabilities at 31 December 2015 is as follows:

	Interest bearing within one year US\$	Interest bearing more than one year US\$	Non interest bearing US\$	Total US\$
DXE (US\$) Fund				
Assets				
Financial assets at fair value through profit or loss	-	-	14,678,121	14,678,121
Other receivables and prepayments	-	-	3,464	3,464
Cash and cash equivalents	2,854,873	-	-	2,854,873
Total assets	2,854,873	-	14,681,585	17,536,458
Liabilities (including net assets attributable to holders of participating shares)				
Secured loans	-	-	-	-
Redemptions payable	-	-	606,316	606,316
Accrued expenses	-	-	92,409	92,409
Net assets attributable to holders of participating shares	-	-	16,837,733	16,837,733
Total liabilities	-	-	17,536,458	17,536,458
Interest rate sensitivity gap	2,854,873	-	(2,854,873)	-

Interest rate risk management and mitigation

The Company's has minimal exposure to short term interest rate risks with the only exposure coming from cash held at bank where rates are unlikely to rise significantly in the medium term.

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

15. Financial Instruments (continued)

15.2 Credit risk

Credit risk is the risk that a counterparty to a financial instrument transaction will fail to discharge an obligation or commitment that it has entered into with the Company.

The carrying amounts of the cash and cash equivalents best represent the maximum credit risk exposure at the Statement of Financial Position date. This relates also to financial assets carried at amortised cost, as they have a short term to maturity.

Credit risk arising from transactions with brokers relates to transactions awaiting settlement. Risk relating to unsettled transactions was considered small due to the short settlement period involved and high credit quality of the brokers used to further mitigate this risk.

As at the reporting date, the Company had no financial assets that were past their contractual due date or were impaired.

15.3 Liquidity risk

Liquidity risk is the risk the Company will encounter when trying to realise assets, or otherwise raising funds, to meet financial commitments as these fall due for payment such as monthly redemptions by its shareholders.

The Company is exposed to a minimum level of liquidity risks as it is invested primarily in listed open-ended investment funds and contract for differences which are considered to be readily realisable in the market and over-the-counter to settle the Company's obligations. For much of 2016 and 2015, the Company was primarily invested in contract for differences which are readily realisable with little to no liquidity risk due to the fact that a margin account is maintained for the exposure to contracts for differences.

The Company's policy for managing and mitigating liquidity risk is to hold highly liquid, readily realisable, listed open-ended investment funds that can easily be converted to cash. During the year, the Company was able to meet its short term obligations through the sale of such assets where necessary.

15.4 Financial instruments by category

As at 31 December 2016:

	Loans and receivables €	Assets at fair value through profit or loss €	Total €
DXE (€) Fund			
Assets as per statement of financial position			
Financial assets at fair value through profit or loss	-	19,137,558	19,137,558
Other receivables and prepayments	-	-	-
Margin accounts	1,167,135	-	1,167,135
Cash and cash equivalents	210,769	-	210,769
Total	1,377,904	19,137,558	20,515,462
	US\$	US\$	US\$
DXE (US\$) Fund			
Assets as per statement of financial position			
Financial assets at fair value through profit or loss	-	12,731,740	12,731,740
Other receivables and prepayments	-	-	-
Margin accounts	996,082	-	996,082
Cash and cash equivalents	188,455	-	188,455
Total	1,184,537	12,731,740	13,916,277

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

15. Financial Instruments (continued)

15.4 Financial instruments by category (continued)

As at 31 December 2016:

	Loans and receivables €	Assets at fair value through profit or loss €	Total €
Company Total			
Assets as per statement of financial position			
Financial assets at fair value through profit or loss	-	31,208,991	31,208,991
Other receivables and prepayments	-	-	-
Margin accounts	2,111,557	-	2,111,557
Cash and cash equivalents	389,450	-	389,450
Total	2,501,007	31,208,991	33,709,998

As at 31 December 2015:

	€	€	€
DXE (€) Fund			
Assets as per statement of financial position			
Financial assets at fair value through profit or loss	-	24,569,261	24,569,261
Other receivables and prepayments	3,302	-	3,302
Cash and cash equivalents	2,413,659	-	2,413,659
Total	2,416,961	24,569,261	26,986,222
	US\$	US\$	US\$

DXE (US\$) Fund

Assets as per statement of financial position

Financial assets at fair value through profit or loss	-	14,678,121	14,678,121
Other receivables and prepayments	3,464	-	3,464
Cash and cash equivalents	2,854,873	-	2,854,873
Total	2,858,337	14,678,121	17,536,458
	€	€	€

Company Total

Assets as per statement of financial position

Financial assets at fair value through profit or loss	-	38,077,536	38,077,536
Other receivables and prepayments	6,590	-	6,590
Cash and cash equivalents	5,040,999	-	5,040,999
Total	5,047,589	38,077,536	43,125,125

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

15. Financial Instruments (continued)

15.5 Capital risk management

The capital of the Funds is represented by the net assets attributable to holders of participating shares. The amount of net assets attributable to participating shares can change significantly on a monthly basis, as the Funds are subject to monthly redemptions at the discretion of shareholders. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders, provide benefits for other stakeholders and maintain a strong capital base to support the development of the investment activities of the Company.

In order to maintain the capital structure, the Company's policy is to perform the following:

- Monitor the level of redemptions relative to the assets it expects to be able to liquidate within 10 business days.
- The Directors may suspend redemptions in the Funds if certain conditions are met as set out in the Supplemental Offering Memorandum applicable to each Fund.

16. Borrowing and Leverage

The Funds may at anytime employ leverage of up to 66.67% of the value of investments at the time such leverage is drawn down. There is no obligation to reduce the leveraging position if the degree of leverage exceeds 66.67% through changes in the value of either the leverage or investment assets. For the purposes of efficient portfolio management, primarily for liquidity management, the Funds may borrow up to 20% of its Net Asset Value excluding hedging instruments.

Subject to the above provisions the Directors may borrow money and hypothecate, mortgage, charge or pledge the assets, property and undertaking of the Company or any part thereof and to issue debentures and other securities whether outright or as collateral security.

17. 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. In addition to the notes below, there are other related party disclosures in notes 9 and 10.

(a) Management fee

The Company is managed by Dominion Fund Management Limited (the "Manager"), a company incorporated in Guernsey. T. A. Nelson and J. I. P. Greco, directors of the Company, are also directors and beneficial owners of the Manager. The Manager is entitled to, and has received, fees and expenses from the Company as detailed in note 9. Amounts outstanding at the year-end are disclosed in note 6.

The Company's subsidiary undertakings, as per note 4, have a common Manager, Dominion Fund Management Limited. During the year ended 31 December 2016, the Manager received additional management fees from the Company of US\$15,457 (2015: US\$24,405) by virtue of its investment in Dominion Global Trends – Managed Fund Class BH USD, Dominion Global Trends – Luxury Consumer Fund Class BH USD and Dominion Global Trends – Ecommerce Fund Class BH USD. These fees are incurred by the Company's subsidiary undertakings and paid directly to the Manager. The Company is indirectly charged additional management fees of 0.6% per annum of the Funds' proportion of the NAV of the subsidiary undertakings.

During the year ended 31 December 2016, the Manager also received additional management fees from the Company of €24,596 (2015: €44,133) by virtue of its investment in Dominion Global Trends – Managed Fund Class A EUR, Dominion Global Trends – Luxury Consumer Fund Class IC EUR and Dominion Global Trends – Ecommerce Fund Class B EUR. These fees are incurred by the Company's subsidiary undertakings and paid directly to the Manager. The Company is indirectly charged additional management fees of 0.6% per annum of the Funds' proportion of the NAV of the subsidiary undertakings.

During the year ended 31 December 2016, the Manager also received additional management fees from the Company of €37,214 (2015: €51,096) by virtue of its investment in Dominion Global Trends Managed Pro PCC Limited, a fund that is under common control of the Manager and paid directly to the Manager.

(b) Performance fee

During the year ended 31 December 2016, the Manager received performance fees from the Company of €326,923 (2015: €191,611) by virtue of its investment in Dominion Global Trends Managed Pro PCC Limited (formerly Origin PCC Limited - Origin Growth Fund).

Notes to the Financial Statements (continued)

For the year ended 31 December 2016

18. Ratios

	2016	2015
DXE (€) Fund		
Total expense ratio (TER) for the year ended 31 December	8.42%	6.74%
Portfolio turnover ratio for the year ended 31 December	0.00%	15.72%
DXE (US\$) Fund		
Total expense ratio (TER) for the year ended 31 December	6.41%	5.87%
Portfolio turnover ratio for the year ended 31 December	0.00%	75.04%

The Total Expense Ratio ("TER") is calculated by adding the Total Operating Expenses and Total Finance Costs together and then dividing by Total Assets.

Portfolio Turnover is calculated by dividing the Purchase of financial assets at fair value through profit or loss by the Net Assets Attributable to Holders of Participating Shares

19. Change in Presentation

In 2015 the movement in translation, in the Financial Statements, was erroneously stated as €1,488,177. The correct value is €2,217,958 as per the comparative stated in the Statement of Comprehensive Income on page 12.

20. Post Balance Sheet Events

There are no material subsequent events requiring disclosure.

Schedule of Investments (unaudited) As at 31 December 2016

	Nominal	Fair Value €	Percentage of NAV (%)
DXE (€) Fund			
Financial assets at fair value through profit or loss			
Regulated investment funds			
*Dominion Global Trends - Ecommerce Fund EUR B Class	3,530,896	4,972,914	25.28
*Dominion Global Trends - Managed Fund EUR A Class	3,287,196	4,540,932	23.08
*Dominion Global Trends - Luxury Consumer Fund EUR IC Class	364,284	4,650,194	23.64
*Dominion Global Trends Managed Pro PCC Limited	46,673	4,159,716	21.14
		18,323,756	93.14
Contract for difference			
Aalberts Industries NV	14,992	74,480	0.38
Ashtead Group	26,883	151,367	0.77
Assa Abloy	23,117	(98,307)	(0.50)
Dassault Systems S.A.	7,283	(8,585)	(0.04)
Delphi Automotive Plc	4,772	(74,703)	(0.38)
Halma PLC	77,484	120,445	0.61
Hexagon AB	11,088	198,782	1.01
iShares S&P Global Healthcare Sector	16,997	(309,566)	(1.57)
Kuka AG	4,601	46,564	0.24
Mueller Water Products Inc	42,896	224,279	1.14
Tetra Tech Inc	12,778	232,825	1.18
Xylem Inc	15,502	256,221	1.30
		813,802	4.14
Total financial assets at fair value through profit or loss		19,137,558	97.28
Cash and cash equivalents		1,215,371	6.18
Other net liabilities		(678,884)	(3.46)
		19,674,045	100.00

*These investments are managed by the Manager of the Company.

Schedule of Investments (unaudited) (continued)

As at 31 December 2016

	Nominal	Fair Value US\$	Percentage of NAV (%)
DXE (US\$) Fund			
Financial assets at fair value through profit or loss			
Regulated investment funds			
*Dominion Global Trends - Ecommerce Fund USD BH Class	3,168,990	3,212,405	24.24
*Dominion Global Trends - Managed Fund USD BH Class	3,179,899	3,188,485	24.06
*Dominion Global Trends - Luxury Consumer Fund USD BH Class	3,345,493	3,043,730	22.97
*Dominion Global Trends Managed Pro PCC Limited	28,172	2,648,152	19.98
		12,092,772	91.25
Contract for difference			
Aalberts Industries NV	12,583	26,502	0.20
Ashtead Group	22,370	155,493	1.17
Assa Abloy	19,329	(10,110)	(0.08)
Dassault Systems S.A.	6,079	(8,199)	(0.06)
Delphi Automotive Plc	3,933	(61,569)	(0.46)
Halma PLC	65,121	104,298	0.79
Hexagon AB	9,231	17,400	0.13
iShares S&P Global Healthcare Sector	9,400	(171,202)	(1.29)
Kuka AG	3,795	38,430	0.29
Mueller Water Products Inc	35,520	167,258	1.26
Tetra Tech Inc	10,640	183,104	1.38
Xylem Inc	12,884	197,563	1.50
		638,968	4.83
Total financial assets at fair value through profit or loss		12,731,740	96.08
Cash and cash equivalents		1,062,068	8.01
Other net liabilities		(542,490)	(4.09)
		13,251,318	100.00

*These investments are managed by the Manager of the Company.

Schedule of Investments (unaudited) As at 31 December 2015

	Nominal	Fair Value €	Percentage of NAV (%)
DXE (€) Fund			
Financial assets at fair value through profit or loss			
Investment funds			
Dominion Global Trends – Ecommerce Fund EUR B Class*	4,764,538	6,670,829	25.36
Dominion Global Trends – Managed Fund EUR A Class*	4,513,375	6,369,275	24.22
Dominion Global Trends – Luxury Consumer Fund EUR IC Class*	438,737	5,960,069	22.66
Dominion Global Trends Managed Pro PCC Limited EUR Fund*	51,058	5,470,590	20.80
		24,470,763	93.04
Contract for Difference – Equities			
Aalberts Industries NV	14,992	88,572	0.34
Ashtead Group	26,883	37,201	0.14
Assa Abloy	23,117	10,435	0.04
Dassault Systems S.A.	7,283	737	-
Delphi Automotive Plc	4,772	11,970	0.05
Halma PLC	77,484	129,166	0.49
Hexagon AB	11,088	7,757	0.03
iShares S&P Global Healthcare Sector	16,997	(162,883)	(0.62)
Kuka AG	4,601	18,870	0.07
Mueller Water Products Inc	42,896	20,466	0.08
Tetra Tech Inc	12,778	12,827	0.05
Xylem Inc	15,502	53,046	0.20
		228,164	0.87
		24,698,927	93.91
Total financial assets at fair value through profit or loss			
Cash and cash equivalents		2,413,659	9.18
Other net liabilities		(812,145)	(3.09)
		26,300,441	100.00

*These investments are managed by the Manager of the Company.

Schedule of Investments (unaudited) (continued)

As at 31 December 2015

	Nominal	Fair Value US\$	Percentage of NAV (%)
DXE (US\$) Fund			
Financial assets at fair value through profit or loss			
Investment funds			
Dominion Global Trends – Ecommerce Fund USD B Class*	3,754,426	3,738,282	22.10
Dominion Global Trends – Managed Fund USD A Class*	3,762,151	3,806,168	22.51
Dominion Global Trends – Luxury Consumer Fund USD IC Class*	3,735,884	3,561,792	21.06
Dominion Global Trends Managed Pro PCC Limited EUR Fund*	30,086	3,502,778	20.71
		14,609,020	86.38
Contract for Difference – Equities			
Aalberts Industries NV	12,583	40,566	0.24
Ashtead Group	22,370	33,639	0.20
Assa Abloy	19,329	9,481	0.06
Dassault Systems S.A.	6,079	668	-
Delphi Automotive Plc	3,933	10,720	0.06
Halma PLC	65,121	93,298	0.55
Hexagon AB	9,231	7,017	0.04
iShares S&P Global Healthcare Sector	9,400	(97,882)	(0.57)
Kuka AG	3,795	16,912	0.10
Mueller Water Products Inc	35,520	(41)	-
Tetra Tech Inc	10,640	841	-
Xylem Inc	12,884	29,813	0.18
		145,032	0.86
Total financial assets at fair value through profit or loss		14,754,052	87.24
Cash and cash equivalents		2,854,873	16.96
Other net liabilities		(771,192)	(4.58)
		16,837,733	99.62

*These investments are managed by the Manager of the Company.