EII Voyager Fund plc
(an open-ended investment company with segregated liability between sub-funds)

Annual Report and Audited Financial Statements

For the financial year ended 31 December 2016

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Company information

Directors of the Company	Mary Broughan (Irish) (Independent) Declan McCourt (Irish) (Independent) Christian Lange (American) Ronald J. Ulrich (American) Adrian Ulrich (American) (1st February 2017) (All Directors are non-executive)
Registered Office	25/28 North Wall Quay International Financial Services Centre Dublin 1 Ireland
Investment Adviser and Distributor	EII Capital Management, Inc. 8th Floor, 640 Fifth Avenue New York NY 10019 USA
Sub-Investment Adviser and Distributor	Breithorn Capital Management LLC 16th Floor, 509 Madison Avenue New York NY 10022 USA
Administrator, Transfer Agent and Registrar	Capita Financial Administrators (Ireland) Limited 2nd Floor, 2 Grand Canal Square Grand Canal Harbour Dublin 2 Ireland
Independent Auditor	KPMG 1 Harbourmaster Place International Financial Services Centre Dublin 1 Ireland
Irish Legal Advisers	A & L Goodbody 25/28 North Wall Quay International Financial Services Centre Dublin 1 Ireland
Depositary	BNY Mellon Trust Company (Ireland) Limited Guild House Guild Street International Financial Services Centre Dublin 1 Ireland
Company Secretary	Goodbody Secretarial Limited International Financial Services Centre North Wall Quay Dublin 1 Ireland
Company number	277225 (Registered in Ireland)

Directors' Report and Statement of Directors' Responsibilities

For the financial year ended 31 December 2016

The Directors of EII Voyager Fund plc (the "Company") present herewith their annual report and audited financial statements for the financial year ended 31 December 2016. The Company was incorporated on 12 December 1997 and is authorised as an Undertaking for Collective Investment in Transferable Securities ("UCITS") by the Central Bank of Ireland pursuant to the European Communities UCITS Regulations 2011 (as amended) (the "UCITS Regulations"). The Company is an umbrella fund with segregated liability between sub-funds. As of the date of this report the Company is comprised of one sub-fund, the U.S. Leaders Equity Fund (the "Fund").

Basis of preparation
The format and certain wordings of the financial statements have been adapted from those contained in the Companies Act 2014 so that, in the opinion of the Directors, they more appropriately reflect the nature of the Company's business as an investment fund.

Principal activities
The Company is an open-ended investment company with variable capital and limited liability which has been authorised by the Central Bank of Ireland as a UCITS pursuant to the UCITS Regulations.

Accounting records
The measures, which the Directors have taken to ensure that compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the adoption of suitable policies for recording transactions, assets and liabilities and the appointment of a suitable service organisation, Capita Financial Administrators (Ireland) Limited (the "Administrator"). The accounting records of the Company are located at the offices of the Administrator.

Activities and business review
A comprehensive overview of the Company's trading activities is detailed in the Investment Adviser's report for the Fund on pages 6-7.

Risks and uncertainties
The principal risks and uncertainties faced by the Company are outlined in the prospectus. These risks include market risk comprising of currency risk, interest rate risk and other price risk, liquidity risk and credit risk as per IFRS 7 - Financial Instruments: Disclosures. The Investment Adviser reviews and agrees on policies for managing each of these risks and these are detailed in note 14 to the financial statements.

Directors

All the Directors serve in a non-executive capacity. The names of the directors during the financial year ended 31 December 2016 are set out below:

Mary Broughan
Declan McCourt
Christian Lange
Ronald J. Ulrich

Directors' and Company Secretary's interests in the Company
The below table provides details of shares held by the Directors as at the reporting date:

Director	31 December 2016 Shares in the Company	31 December 2016 Shares in profit sharing plan	31 December 2015 Shares in the Company	31 December 2015 Shares in profit sharing plan
Christian Lange	455,127	85,805	461,907	85,805
Ronald Ulrich	230,000	-	230,000	-

In addition, Christian Lange is the joint holder of 95,385 shares in the Investment Adviser's profit sharing plan at the reporting date (2015: 109,534). Christian Lange, Ronald Ulrich and the Investment Adviser each held one subscriber share in the Company at the reporting dates 31 December 2016 and 31 December 2015.

Transactions involving Directors
Other than as disclosed in note 18, there were no contracts or arrangements of any significance in relation to the business of the Company in which the Directors had any interest, at any time during the year.

Connected person transactions

The Central Bank (Supervision and Enforcement) Act 2013 (section 48 (1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the "Central Bank Regulations") states that any transaction carried out with a UCITS by a management company or depositary to a UCITS; and the delegates or sub-delegates of such a management company or depositary (excluding any non-group company sub-custodians appointed by a depositary); and any associated or group company of such a management company, depositary, delegate or sub-delegate ("connected person") must be carried out as if conducted at arm's length. Transactions must be in the best interests of the shareholders.

The Directors of the Company are satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out in Regulation 78 (4) (a) are applied to all transactions with connected parties; and the Directors are satisfied that transactions with connected parties entered into during the year complied with the obligations set out in Regulation 41 (1) (a) and (b) of the Central Bank Regulations.

Results of operations
The results of operations for the year are set out in the statement of comprehensive income on page 11.

Distributions
The Directors have not declared any distributions during the financial year ended 31 December 2016 (2015: nil).

Independent Auditors
The Auditor, KPMG, have indicated their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

Directors' Report and Statement of Directors' Responsibilities (continued)
For the financial year ended 31 December 2016

Events after the reporting date
There have been no events after the reporting date which impact on these financial statements other than those disclosed in note 24 to these financial statements.

Corporate governance statement
The Board of Directors of the Company has assessed and adopted the measures included in the voluntary Corporate Governance Code for Collective Investment Schemes and Management Companies as published by Irish Funds in December 2011. The Company has complied with the corporate governance code for the financial year ended 31 December 2016.

Statement of directors' responsibilities
The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that its financial statements comply with the Companies Act 2014, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company. In this regard they have entrusted the assets of the Company to a trustee for safe-keeping. They have general responsibility for taking such steps as are reasonably open to them to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

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

- select suitable accounting policies for the financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; 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 are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2014, the UCITS Regulations and the Central Bank Regulations. 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. The Company has appointed BNY Mellon Trust Company (Ireland) Limited (the "Depositary") to carry out the custodial functions of the Company including the safe keeping of assets, trustee duties and the operation and maintenance of bank accounts.

The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

The Directors are responsible for the maintenance and integrity of the corporate and financial information. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' compliance statement
The Directors acknowledge that they are responsible for securing compliance by the Company with its relevant obligations as defined with the Companies Act, 2014 (hereinafter called the "relevant obligations").

The Directors further confirm the Company has put in place appropriate arrangements or structures that are, in the Directors' opinion, designed to secure material compliance with its relevant obligations including reliance on the advice of persons employed by the Company and external legal and tax advisers as considered appropriate from time to time and that they have reviewed the effectiveness of these arrangements or structures during the financial year to which this report relates.

Statement on relevant audit information
In accordance with Section 332 of the Companies Act 2014 each of the persons who are Directors at the time the report is approved confirm the following:

1) so far as the Director is aware, there is no relevant audit information of which the Company's statutory auditors are unaware, and
2) the Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

Audit committee
The Directors are aware of Section 167 of the Companies Act 2014 which requires certain companies to establish an audit committee. Due to the size, nature and complexity of the Company, the Directors do not consider it necessary to establish an audit committee.

On behalf of the Board

Mary Broughan **Declan McCourt**

Date: 25 April 2017

Investment Adviser's report

For the financial year ended 31 December 2016

It was a volatile but ultimately fruitful year for the Fund's value investing strategy. In January, the market delivered one of its worst starts to the year in history, due to fears about economic weakness in emerging markets, collapsing commodity prices, and Federal Reserve tightening. During this period of indiscriminate selling, value stocks fared much worse than the broader market. The market subsequently recovered, only to sell off again after the U.K.'s unexpected vote to "brexit" from the E.U. This too was a short-lived swoon, and stocks quickly rebounded to all-time highs. We believe that the valuations of several of the Fund's holdings became extremely detached from their fundamentals during these sell-offs, and that these episodes illustrate how irrational stock prices can become in the short-term.

The final big surprise of 2016 came in the fourth quarter when Donald Trump was elected president, contrary to most predictions. This turned out to be a significant positive catalyst for many of the out-of-favor value stocks in the portfolio. As we have said repeatedly in the past, we believe that an extended period of low economic growth and cheap money has caused a handful of large capitalization growth stocks to outperform, and smaller capitalization value stocks to lag. The election result caused expectations for economic growth and interest rates to change overnight, to the benefit of value stocks. Cyclical stocks rose due to the anticipation of corporate tax reform, deregulation, and greater infrastructure spending under the new Republican administration. Expectations of higher economic growth caused long-term interest rates to increase. Accordingly, financial stocks, which generally benefit from higher rates, outperformed. Smaller capitalization, U.S. focused companies also outperformed, as they are expected to disproportionately benefit from new economic policies. In particular, potential tax reform is expected to disproportionately favor the small capitalization, U.S. centric holdings on which the Fund is focused. Many domestic corporations pay a statutory tax rate of 39%, while the OECD average, excluding the U.S., is just 25%. Closing this gap could be very beneficial.

The Fund's best performing holdings included Barrick Gold Corp. (ABX), Kulicke & Soffa Industries, Inc. (KLIC), and Blue Bird Corp. (BLBD). The most significant detractors included GNC Holdings, Inc. (GNC), Dynegy, Inc. (DYN), and Kohl's Corp. (KSS).

ABX, a leading gold mining company, was the top contributor to returns for the year. During the first half of 2016, investor sentiment towards gold and gold miners became much more positive due to increased macroeconomic uncertainty, and because lower interest rates decreased the opportunity cost of owning gold. We purchased ABX for the Fund in late 2014 because we believed it was inexpensive, trading at single digit multiples of cash earnings assuming a normalized gold price of $1,300 per ounce. In addition, we believed gold would provide a hedge against macroeconomic shocks and unintended consequences of monetary easing around the world. During 2016, this theory was proven correct. Following a share price rally of 189% during the first half of 2016, ABX approached our estimate of fair value, and we therefore decided to sell the Fund's shares in June.

KLIC, the Fund's largest holding, is the dominant provider of wire bonding equipment which is used for semiconductor assembly. Sales of semiconductors and related equipment are highly cyclical and experienced a decline in 2015. KLIC's stock fell out of favor and traded as low as $10.00 during the January sell-off. We believe this valuation was irrational, given that the company has been consistently profitable historically, and had almost $7.00 per share of net cash on its balance sheet. KLIC has since benefited from a cyclical recovery, and the stock has risen steadily, ending the year at $15.95. Despite the rally, KLIC's net cash position, which is held overseas to avoid repatriation taxes, still amounts to 47% of its market capitalization. We believe investors have historically applied a discount to this cash because it was trapped abroad. The new Republican administration increases the likelihood that KLIC will be able to repatriate its cash on favorable terms, and deploy it in an accretive manner. The company recently appointed a well-qualified new CEO, which was positively received by the market. In December, we met with the CEO and were impressed by his plan to grow the business by expanding into underpenetrated market segments. We believe the shares remain undervalued and the Fund continues to hold its position at year-end.

GNC, a leading global retailer of nutraceuticals, was the largest detractor from annual returns. When the Fund began purchasing GNC shares in December 2015, we were attracted to the company's leading position in a growing market, and the stock's low valuation, at 10x earnings. At the time, negative regulatory and media attention had weighed on GNC's performance, and we believed this headwind would ultimately dissipate. Subsequently, the company reported consecutive quarters of weaker than expected sales, and its CEO resigned, causing the share price to decline from $20.42 to $11.04 during the fourth quarter. It appears that weak foot traffic at shopping malls, competition from mass retailers, and the lingering impact of negative media coverage has impacted GNC more than we had anticipated. While the company remains profitable and appears inexpensive based on several valuation metrics, we became uncomfortable with the company's deteriorating fundamentals and increasing financial leverage. Accordingly, we decided to sell the Fund's shares in December.

DYN is an independent power producer with a portfolio of power plants that is diversified both by geography and fuel source. The stock has sold off significantly in recent years for two main reasons. First, natural gas prices, which drive wholesale electricity prices, have hit multi-year lows. This puts pressure on DYN's profit margins because the company's coal-fired power plants (44% of the total capacity) experience lower revenue without a corresponding decrease in fuel costs. Second, DYN's valuation reflects concerns about the company's high debt load. During the fourth quarter, the company issued weaker than expected guidance for 2017, and the stock sold off sharply. We believe this was an overreaction, as much of the disappointment was related to non-recurring costs. More importantly, we believe that natural gas prices are currently at unsustainably low levels, and that the profitability of DYN's coal plants will improve in the future. The company recently reached a deal to restructure the debt of one of its subsidiaries, significantly reducing leverage. Based on our analysis, we are comfortable with DYN's ability to manage its debt load given the company's ample cash flow. Following a share price decline of 37% during the year, we believe DYN is extremely inexpensive, with an estimated normalized free cash flow yield of over 30%, and the Fund continues to hold its position.

Investment Adviser's report (continued)
For the year ended 31 December 2016

2017 Outlook
We are encouraged by the fact that actively managed funds, such as the Voyager Fund, have started to outperform index funds after lagging for a considerable time[i]. Since the 2008 financial crisis, correlations between sectors have averaged 82%, compared to a norm of 50% previously[ii]. We believe this is partially due to the rapid rise of ETFs and Index funds, which now account for nearly half of all trading in the U.S. stock market. As these funds indiscriminately buy and sell stocks in response to the latest "risk on" or "risk off" trend, it is hard for managers that focus on fundamentals to outperform. However, in the long-run, individual company fundamentals and valuations do matter, and hopefully that is what we are beginning to see. We are evaluating a number of attractive investment opportunities, and look forward to putting the Fund's cash to work in the coming months.

Portfolio Positioning
As of December 31st, the Fund has 27 holdings. The largest positions are Kulicke & Soffa Industries, Inc., Blue Bird Corp., and Citizens Financial Group, Inc., with 7.3%, 5.1% and 5.0% weights, respectively, and the top 10 positions account for 47.4% of the portfolio. As of year-end, the three highest sector weights are Financials, Industrials and Consumer Discretionary, and the cash position is 8.6%.

While the stock market as a whole is not cheap, we believe that many stocks in the Fund's portfolio are undervalued, even following broad-based appreciation in the fourth quarter. As of year-end, approximately 26% of the Fund's holdings trade at a discount of 25% or more to their 52-week highs. In addition, the portfolio in aggregate trades at a discount to the S&P 500, based on several metrics:

Current valuation

	EII Voyager Fund plc	S&P 500	Discount
Price / Earnings	13.7	18.3	25%
Price / Sales	0.7	1.9	63%
Price / Book	1.3	2.7	52%

Source: Factset consensus estimates, Breithorn estimates

[i] Source: FTSE Russell
[ii] Source: Convergex

Breithorn Capital Management LLC
January 2017

Report from the Depositary to the Shareholders

For the period 1st January 2016 to 31st December 2016 (the "**Period**")

BNY Mellon Trust Company (Ireland) Limited (the "**Depositary**" "**us**", "**we**", or "**our**"), has enquired into the conduct of EII Voyager Fund plc (the "Company") for the Period ended 31 December 2016, in its capacity as Depositary to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company, in accordance with our role as depositary to the company 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.

Responsibilities of the Depositary

Our duties and responsibilities are outlined in Regulation 34 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No 352 of 2011), as amended (the "Regulations").

Our report shall state whether, in our opinion, the Company has been managed in that period in accordance with the provisions of the Company's Memorandum and Articles of Association and the Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not been so managed, we as Depositary must state in what respects it has not been so managed and the steps which we have taken in respect thereof.

Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties and to ensure that, in all material respects, the Company has been managed:

(i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations; and

(ii) otherwise in accordance with the Company's constitutional documentation and the appropriate regulations.

Opinion

In our opinion, the Company has been managed during the Period, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum and Articles of Association and by the Regulations; and

(ii) otherwise in accordance with the provisions of the Memorandum and Articles of Association and the Regulations.

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For and on Behalf of BNY Mellon Trust Company (Ireland) Limited
Guild House
Guild Street
IFSC
Dublin 1

Date: 25 April 2017

Independent Auditors' report to the Members of EII Voyager Fund plc

We have audited the financial statements of EII Voyager Fund plc ("the Company") for the year ended 31 December 2016 which comprise the statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in net assets attributable to holders of redemption participating shares and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and International Financial Reporting Standards (IFRS) as adopted by the European Union. Our audit was conducted in accordance with International Standards on Auditing (UK and Ireland).

Opinions and conclusions arising from our audit

1 Our opinion on the financial statements is unmodified

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2016 and of its changes in net assets attributable to holders of redeemable participating shares for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015.

2 Our conclusions on other matters on which we are required to report by the Companies Act 2014 are set out below

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

In our opinion the information given in the Directors' Report is consistent with the financial statements.

3 We have nothing to report in respect of matters on which we are required to report by exception

ISAs (UK & Ireland) require that we report to you if, based on the knowledge we acquired during our audit, we have identified information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

In addition, the Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made.

Basis of our report, responsibilities and restrictions on use

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK & Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

25 April 2017

Jonathan Lew
for and on behalf of KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
International Financial Services Centre
Dublin 1
Ireland

Statement of financial position
As at 31 December 2016

U.S. Leaders Equity Fund	Note	31 December 2016 USD	31 December 2015 USD
Assets			
Cash and cash equivalents	4	6,374,882	3,591,431
Financial assets at fair value through profit or loss	3		
- Transferable securities		67,751,046	78,748,566
Securities sold receivable		119,960	-
Accrued dividend income		14,702	6,767
Prepaid fees and expenses		4,753	9,607
Total assets		**74,265,343**	**82,356,371**
Liabilities			
Redemptions payable		99,666	-
Securities purchased payable		-	666,234
Investment adviser fee payable	5	61,103	69,321
Administration fees payable	6	5,654	5,681
Depositary fees payable	7	13,412	13,433
Audit fee payable	9	19,084	18,694
Legal fees payable		29,861	6,972
Other expenses payable	11	31,468	18,458
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		**260,248**	**798,793**
Net assets attributable to holders of redeemable participating shares		**74,005,095**	**81,557,578**
Number of redeemable participating shares in issue	13		
Class A		20,710.42	20,710.42
Class I		5,019,069.09	6,545,875.12
Net asset value per redeemable participating share	17		
Class A		$16.87	$14.36
Class I		$14.68	$12.41

On behalf of the Board

Mary Broughan **Declan McCourt**

Date: 25 April 2017

Statement of comprehensive income
For the financial year ended 31 December 2016

U.S. Leaders Equity Fund	Note	31 December 2016 USD	31 December 2015 USD
Investment income			
Dividend income		1,351,687	1,428,223
Interest income		334	610
Other income		7,599	12,331
Net gain/(loss) on financial assets at fair value through profit or loss and foreign exchange	3	11,538,429	(7,709,835)
Total investment income/(expense)		**12,898,049**	**(6,268,671)**
Expenses			
Investment adviser fees	5	732,454	917,567
Administration fees	6	66,277	72,618
Depositary fees	7	55,429	48,898
Directors' fees	8	24,433	24,280
Audit fees	9	19,906	14,960
Legal and professional fees		57,822	50,324
Other expenses	11	56,597	51,858
Total expenses		**1,012,918**	**1,180,505**
Profit/(loss) for the year		**11,885,131**	**(7,449,176)**
Taxation	16		
Withholding tax on dividends		323,013	373,134
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from continuing operations		**11,562,118**	**(7,822,310)**

There were no gains/losses in the year other than the increase/(decrease) in net assets attributable to holders of redeemable participating shares.

The accompanying notes form an integral part of these financial statements

Statement of changes in net assets attributable to holders of redeemable participating shares
For the financial year ended 31 December 2016

U.S. Leaders Equity Fund	**31 December 2016 USD**	**31 December 2015 USD**
Net assets attributable to holders of redeemable participating shares at the start of the year	81,557,578	94,197,841
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from continuing operations	11,562,118	(7,822,310)
Issue of redeemable participating shares	253,080	230,492
Redemption of redeemable participating shares	(19,367,681)	(5,048,445)
Net assets attributable to holders of redeemable participating shares at the end of the year	**74,005,095**	**81,557,578**

The accompanying notes form an integral part of these financial statements

Statement of cash flows
For the financial year ended 31 December 2016

	31 December 2016 USD	31 December 2015 USD
Cash flow from operating activities		
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from continuing operations	11,562,118	(7,822,310)
Adjustment for:		
Interest income	(334)	(610)
Dividend income	(1,351,687)	(1,428,223)
Withholding taxes	323,013	373,134
Net operating cash flow before change in operating assets and liabilities	**10,533,110**	**(8,878,009)**
Net decrease in financial assets at fair value through profit or loss	10,997,520	6,889,113
Net increase in other receivables	(115,106)	(7,931)
Net (decrease)/increase in other payables	(638,211)	646,645
Cash from/(used in) operations	**20,777,313**	**(1,350,182)**
Interest received	334	610
Dividend received	1,020,739	1,063,213
Net cash from/(used in) operating activities	**21,798,386**	**(286,359)**
Cash flows from financing activities		
Issue of redeemable participating shares	253,080	230,492
Redemption of participating shares	(19,268,015)	(5,048,445)
Net cash (used in) financing activities	**(19,014,935)**	**(4,817,953)**
Net increase in cash and cash equivalents	2,783,451	(5,104,312)
Cash and cash equivalents at the start of the year	3,591,431	8,695,743
Cash and cash equivalents at the end of the year	**6,374,882**	**3,591,431**
Breakdown of cash and cash equivalents		
Cash and cash equivalents	6,374,882	3,591,431

The accompanying notes form an integral part of these financial statements

Notes to the financial statements

For the financial year ended 31 December 2016

1. General information

EII Voyager Fund plc (the "Company") is an open-ended investment company with variable capital incorporated under the laws of Ireland as a public limited company pursuant to Irish company law on 12 December 1997 under registration number 277225 and is established as an umbrella fund with segregated liability between funds. The Company has been authorised in Ireland as an Undertaking for Collective Investments in Transferable Securities ("UCITS") pursuant to the European Communities UCITS Regulations 2011, (as amended) (the "UCITS Regulations"). U.S. Leaders Equity Fund (the "Fund") is currently the only sub-fund under the Company.

The objective of the Company is to achieve capital growth through investment in a diversified portfolio of transferable securities in accordance with the UCITS Regulations, with the aim of spreading investment risk. The investment objective of the Fund is to provide long term capital growth by investing in companies that Breithorn Capital Management LLC (the "Sub-Investment Adviser") believes to be undervalued.

2. Significant accounting policies

(a) Basis of preparation

The audited financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") and Irish statute comprising the Companies Act 2014, the UCITS Regulations, and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the "Central Bank Regulations"). The financial statements have been prepared under the historical cost convention, except for financial assets and liabilities classified at fair value through profit or loss that have been measured at fair value.

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the period. Actual results could differ from those estimates and these differences could be material.

(b) Standards, interpretations and amendments issued but not yet effective

IFRS 9 – Financial Instruments – Classification and Measurement
IFRS 9, deals with recognition, de-recognition, classification and measurement of financial assets and financial liabilities. It represents a significant change from the existing requirements of IAS 39 - Financial Instruments: Recognition and Measurement ("IAS 39") containing two primary measurement categories for financial assets: amortised cost and fair value. A financial asset would be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, and the asset's contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. All other financial assets would be measured at fair value. The standard is not expected to have a material impact on the financial statements of the Company since the majority of the Company's financial assets are already measured at fair value through profit or loss. The standard is effective for annual periods beginning on or after 1 January 2018, with earlier application permitted. The Company does not plan to adopt this standard early.

IFRS 15 – Revenue from Contracts with Customers
IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Company is assessing the potential impact on its financial statements resulting from the application of IFRS 15.

(c) Foreign currency

(i) Functional and presentation currency

The functional currency of the Fund is U.S. Dollars ("USD"). The Company has adopted the USD as its presentation currency.

(ii) Foreign currency translation

Assets and liabilities denominated in currencies other than the functional currency of the Fund are translated into the functional currency using exchange rates prevailing at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date exchange rates of assets and liabilities, denominated in foreign currencies, are recognised in the statement of comprehensive income in the period in which they arise.

(d) Financial assets at fair value through profit or loss

(i) Classification

The Fund classifies its financial assets into the categories below in accordance with IAS 39.

- Financial assets held for trading are those acquired or incurred principally for the purpose of selling or repurchasing in the short term.
- Financial assets designated at fair value through profit or loss, at inception, are those that are managed and their performance evaluated on a fair value basis in accordance with each fund's investment strategy.

The Fund has classified all of its financial assets at fair value through profit or loss as designated at fair value through profit or loss for the reporting dates 31 December 2016 and 31 December 2015.

2. Significant accounting policies (continued)

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

(ii) Recognition

All “regular way” purchases and sales of financial instruments are recognised using trade date accounting, the day that the Fund commits to purchase or sell the asset. From this date any gains and losses arising from changes in fair value of the financial assets or financial liabilities are recorded. Regular way purchases, or sales, are purchases and sales of financial assets that require delivery of the asset within a time frame generally established by regulation or convention in the market place.

(iii) Measurement

At initial recognition financial assets categorised at fair value through profit or loss are recognised initially at fair value, with transaction costs for such instruments being recognised directly in the statement of comprehensive income.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss, are measured at fair value with changes in their fair value recognised in the statement of comprehensive income.

- Investments in listed long equity positions are valued at their last traded price.

In the event that any of the assets or liabilities on the relevant valuation day are not listed or dealt on any recognised exchange, such assets shall be valued by a competent person selected by the Directors and approved for such purpose by the Depositary with care and in good faith. There were no financial assets valued using this method as at the reporting dates 31 December 2016 and 31 December 2015.

(iv) Derecognition

The Fund derecognises a financial asset when the contractual rights to the cash flows from the assets expire, or it transfers the right to receive the contractual cash flow in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Fund neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. Any interest in such transferred financial assets that is created or retained by the Fund is recognised as a separate asset or liability.

The Fund enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risk and rewards of the transferred assets or a portion of them. If all or substantially all of the risks and rewards are retained, then the transferred assets are not derecognised. Transfer of assets with retention of all or substantially all of the risks and rewards include sale and repurchase transactions.

(v) Offsetting

The Fund only offsets financial assets at fair value through profit or loss if the Fund has a legally enforceable right to set off the recognised amounts and either intends to settle on a net basis, or to realise the asset and settle the liability simultaneously. The Fund has no financial assets or financial liabilities that are subject to an enforceable master netting arrangement or similar agreement.

(vi) 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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Company measures instruments quoted in an active market at a last traded price, because this price provides a reasonable approximation of the exit price. If there is no quoted price on an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

(e) Income

Dividends and interest arising on the investments are recognised as income of the Fund on an ex-dividend or interest date, and for deposits of the Fund, on an accrual basis.

(f) Securities purchased payable

Securities purchased payable represent payables for securities purchased that have been contracted for but not yet settled or delivered at the reporting date.

(g) Net gain/(loss) from financial instruments at fair value through profit or loss and foreign exchange

Net gain/(loss) from financial instruments at fair value through profit or loss includes all realised and unrealised fair value changes and foreign exchange differences.

Net realised gain from financial assets at fair value through profit or loss is calculated using the average cost method.

2. Significant accounting policies (continued)

(h) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and short-term deposits held at Bank of New York Mellon SA/NV, a sub-custodian of the Depositary that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less. Short term investments that are not held for the purpose of meeting short-term cash commitments and restricted margin accounts are not considered as cash and cash equivalents. Cash and cash equivalents also includes cash held in the investor money collection account held at Bank of New York Mellon – London Branch. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(i) Expenses

All expenses are recognised in the statement of comprehensive income on an accrual basis.

(j) Redeemable participating shares

All redeemable shares issued by the Company provide the investors with the right to require redemption for cash at the value proportionate to the investor's share in the Company's net assets at the redemption date. In accordance with IAS 32 - Financial Instruments: Presentation such instruments give rise to a financial liability for the present value of the redemption amount.

(k) Transaction costs

Transaction costs are incremental costs, which are separately identifiable and directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. Transaction costs are included in the statement of comprehensive income as part of net gain on financial assets at fair value through profit or loss and foreign exchange.

The following costs are included in the transaction costs disclosure:
- identifiable brokerage charges and commissions;
- identifiable transaction related taxes and other market charges.

(l) Fee cap reimbursement

EII Capital Management, Inc., (the "Investment Adviser and Distributor") may voluntarily undertake to reduce or waive its investment adviser fee or to make other arrangements to reduce or cap the total annual fees and expenses for the Fund, or for any particular share class in the Fund, to the extent that such expenses exceed such lower expense limitation as the Investment Adviser may determine from time to time. Any such reduction or cap on total annual fees and expenses may be specified in the key investor information document and/or the financial statements of the Company from time to time.

A cap on total annual fees and expenses will cover all costs and expenses connected with the management and operating activities of the Fund, including investment management fees, administration, registration, transfer agency, custody and trustee fees, and other operating expenses, but excluding such non-recurring and extraordinary or exceptional costs and expenses (if any) as may arise from time to time and withholding taxes that may be deducted from interest and dividend payments to the relevant fund, stamp duties or other documentary transfer taxes, or similar duties and investment expenses arising with respect to the purchase or sale of securities by the relevant fund.

The Investment Adviser may terminate or modify any such voluntary undertaking at any time at its sole discretion upon 14 days' notice in writing to the relevant shareholders. Refer to note 5 for details of the expense cap during the year.

3. Financial assets at fair value through profit or loss

(i) Net gain and loss on financial assets at fair value through profit or loss and foreign exchange

	31 December 2016 USD	**30 December 2015 USD**
Net realised (loss)/gain on financial assets at fair value through profit or loss and foreign exchange	(1,433,977)	119,123
Change in unrealised gain/(loss) on financial assets at fair value through profit or loss and foreign exchange	12,972,406	(7,828,958)
Net gain/(loss) on financial assets at fair value through profit or loss and foreign exchange	**11,538,429**	**(7,709,835)**

(ii) Fair value of financial instruments

IFRS 13 - Fair Value Measurement establishes a fair value hierarchy for inputs used in measuring fair value that classifies investments according to how observable the inputs are. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Fund. Unobservable inputs reflect the Fund's assumptions, made in good faith, about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

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

(ii) Fair value of financial instruments (continued)

Level 1 – Inputs that are quoted prices (unadjusted) in active markets for identical instruments;

Level 2 – Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market date; and

Level 3 – Inputs that are unobservable. This category includes all instruments for which the valuation technique include inputs not based on observable data and the unobservable inputs not based on observable data and the unobservable inputs have a significant effect on the instruments valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

There were no transfers between level 1 and level 2 during the year (2015: nil).

The following table provides an analysis of financial instruments that are measured at fair value, grouped into levels 1 to 3 at the reporting date:

As at 31 December 2016

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Designated at fair value through profit or loss				
- Equity securities	67,751,046	-	-	67,751,046
Financial assets at fair value through profit of loss	**67,751,046**	**-**	**-**	**67,751,046**

As at 31 December 2015

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Designated at fair value through profit or loss				
- Equity securities	78,748,566	-	-	78,748,566
Financial assets at fair value through profit of loss	**78,748,566**	**-**	**-**	**78,748,566**

All other assets and liabilities held by the Fund at the reporting dates 31 December 2016 and 31 December 2015 are carried at amortised cost and are classified as loans and receivables; their carrying values are a reasonable approximation of fair value. Cash and cash equivalents have been classified at level 1, due to the liquid nature of the asset. All other assets and liabilities held have been classified at level 2.

4. Cash and cash equivalents

The below table shows the cash and cash equivalents held by the Fund at the reporting date:

	Credit rating (S&P)	Currency	31 December 2016 USD equivalent balance	31 December 2015 USD equivalent balance
Short term investment funds				
BNY Mellon Cash Reserve USD	AAAm	USD	6,275,174	3,591,431
Cash and cash equivalents				
BNY Mellon cash at bank	AA- [1]	EUR	42	-
Bank of New York Mellon – London Branch	AA- [1]		99,666	-
Total			**6,374,882**	**3,591,431**

[1]The S&P credit rating relates to The Bank of New York Mellon, the ultimate parent of BNY Mellon Trust Company (Ireland) Limited (the “Depositary”). The Depositary, sub-custodian and the short term investment fund do not have a credit rating.

5. Investment adviser fee

EII Capital Management, Inc (the “Investment Adviser”) receives an investment adviser fee, which accrues daily and is paid monthly in arrears on the basis of the average daily value over the preceding month. The fee payable to the Investment Adviser for each share class in the Fund is set out below.

Share Class	Investment adviser fee
Class A	1.60%
Class I	1.00%

The Investment Adviser discharges all fees to the Sub-Investment Adviser out of its investment adviser fee.

The Investment Adviser has voluntarily undertaken to reduce or waive its investment adviser fee to cap the total annual fees and expenses in respect of Class A shares and Class I shares of the Fund, to the extent that such expenses exceed such lower expense limitation as the Investment Adviser may determine from time to time. For the financial year ended 31 December 2016, there is an expense cap of 2% on the total expenses of the Fund (2015: 2%).

The investment adviser fee accrued at the reporting date and charged for the year is shown in the statement of financial position and the statement of comprehensive income respectively. The investment adviser reimbursement earned during the year was $11 (2015: nil).

6. Administration fees

Capita Financial Administrators (Ireland) Limited (the "Administrator") receives from the Fund a fee based on an annual rate of 0.08% up to €200m of the net asset value (the "NAV") of the Fund and 0.06% for the remainder subject to a minimum monthly fee of €5,000 per month.

The Administrator is entitled to be reimbursed by the Company for reasonable out of pocket expenses incurred by it and any VAT on fees and expenses payable to or by it.

The administration fee accrued at the reporting date and charged for the year is shown in the statement of financial position and the statement of comprehensive income respectively.

7. Depositary fees

Up to 31 March 2016, the Depositary received a fee of up to 0.02% per annum of the NAV of the Fund plus vat (if any). The fees were paid monthly in arrears and subject to a minimum annual fee of €20,000.

Effective 1 April 2016, the Depositary received a fee of up to 0.03% per annum of the NAV of the Fund plus vat (if any). The fee is paid monthly in arrears and subject to a minimum annual fee of €28,000.

The Depositary is entitled to be reimbursed by the Company for all reasonable out of pocket expenses properly incurred in the performance of its duties.

The Depositary fee accrued at the reporting date and charged for the year is shown in the statement of financial position and the statement of comprehensive income respectively.

8. Directors' fees

The Directors are entitled to be reimbursed their costs and are also entitled to a fee in remuneration for their services at a rate to be determined from time to time by the Directors and that, unless otherwise resolved by the Company, the aggregate remuneration of the Directors shall not exceed €63,487 per annum. Mr Lange and Mr Ulrich have agreed to waive their entitlement to directors' fees.

The directors' fees charged for the year are shown in the statement of comprehensive income. Directors' fees were fully paid for the financial year at the reporting date (2015: fully paid).

9. Audit fee

Fees and expenses charged by the Fund's statutory auditor, KPMG, entirely relate to the audit of the financial statements and are €14,000, exclusive of VAT for the year (2015: €14,000). There were no fees and expenses charged in respect of other assurance, tax advisory or non-audit services provided by the statutory auditor for the year (2015: nil).

Fees due to the auditors, including VAT, and the fee charged for the year are disclosed in the statement of financial position and statement of comprehensive income respectively.

10. Transaction costs

The Fund incurred transaction costs as follows for the year ended:

	31 December 2016 USD	31 December 2015 USD
Transaction costs	184,553	198,480

11. Other expenses

The below accruals were held by the Fund at the reporting date:

	31 December 2016 USD	31 December 2015 USD
Regulatory Fee	405	-
Corporate secretarial fee	14,946	13,070
Other fees charged by the Administrator	3,148	5,388
Professional fees	12,969	-
	31,468	**18,458**

The below fees were charged through the statement of comprehensive income during the financial year ended:

	31 December 2016 USD	31 December 2015 USD
Bank charges	2,080	625
Corporate secretarial fee	16,695	13,073
Directors insurance	15,344	11,985
Regulatory fee	3,492	5,171
Other fees charged by the Administrator	18,986	21,004
	56,597	**51,858**

12. Exchange rate

As primarily all of the Fund's assets are held in the base currency of the Fund, no exchange rates are provided.

13. Share capital

Authorised
The Company has an authorised share capital of 500,000,000,000 shares of no par value. The Company has redeemed all but five of the subscriber shares of the Company. The subscriber shares entitle the holders thereof to attend and vote at all meetings of the Company but do not entitle the holders to participate in the dividends or net assets of the Company except to the extent of the initial subscription and any interest accrued thereon. Christian Lange, Ronald Ulrich and the Investment Adviser each held one subscriber share in the Company at the reporting date. These shares do not form part of the NAV of the Company and are disclosed by way of this note only.

Redeemable participating shares
Redeemable participating shares carry the right to a proportionate share in the assets of the Company and the holders of redeemable participating shares are entitled to attend and vote on all meetings of the Company and the relevant fund. Shares are redeemable by holders of the relevant share class at the respective NAV.

Issued share capital
The table below discloses the share transactions in the Fund during the financial year ended:

	31 December 2016	31 December 2015
Class A shares:		
Opening balance	20,710.42	18,610.42
Shares issued	-	2,100.00
Shares redeemed	-	-
Closing balance	**20,710.42**	**20,710.42**

	31 December 2016	31 December 2015
Class I shares:		
Opening balance	6,545,875.12	6,903,454.45
Shares issued	19,000.00	13,234.98
Shares redeemed	(1,545,806.03)	(370,814.31)
Closing balance	**5,019,069.09**	**6,545,875.12**

14. Financial instruments and associated risks

The objective of the Fund is to provide long term capital growth. The performance goal is to achieve a long-term rate of return greater than that provided by the S&P 500 Index and greater than that which could be obtained from a riskless investment, such as cash or inflation-indexed Treasury bonds. In periods when market valuations are higher than those deemed attractive by the Sub-Investment Adviser, the Fund may temporarily hold some of its assets in cash and/or money market instruments. The financial instruments held by the Fund are set out in the schedule of investments and note 3. The main risks relating to financial instruments are set out below.

Market risk
Market risk arises from uncertainty about future prices of financial investments held by the Fund, whether those changes are caused by factors specific to individual financial instruments, or other factors affecting a number of similar financial instruments traded in the markets. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. Market risk consists of currency risk, interest rate risk and market price risk.

(i) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Fund is only exposed to a small EUR balance, equivalent to USD42 at the reporting date (2015: nil).

(ii) Interest rate risk

Interest rate risk represents the potential losses that the Fund might suffer due to adverse movements in relevant interest rates. The value of fixed interest securities may be affected by changes in the interest rate environment and the amount of income receivable from floating rate securities and cash and cash equivalents, or payable on overdrafts, will also be affected by fluctuations in interest rates. In general, as rates rise, the price of a fixed bond will fall, and vice versa. For floating rate notes the interest will normally adjust in line with the specified rate.

The Fund is not significantly exposed to interest rate risk as all of its investments, with the exception of cash and cash equivalents, are non-interest bearing securities.

In accordance with the Company's policy, the Investment Adviser and Sub-Investment Adviser monitor the Fund's interest rate risk on a daily basis and the Board of Directors rely upon the Investment Adviser to keep it informed of any material event. There were no material changes to the Company's policies and processes for managing interest rate risk and the methods used to measure risk since the prior reporting date.

(iii) Market price risk

Market price risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. All of the Fund's equity investments are listed on an official stock exchange. The Investment Adviser and Sub-Investment Adviser reviews the asset allocation of the portfolio in order to minimise the risk associated with particular industry sectors whilst continuing to follow the investment objectives. The portfolios selected seek to ensure that individual stocks also meet the risk reward profile that is acceptable.

14. Financial instruments and associated risks (continued)

Market risk

(iii) Market price risk (continued)

The following table demonstrates the impact on net assets attributable to holders of redeemable participating shares of a movement in equity prices. The table assumes a 10% upwards movement in the value of the local currencies (a negative 10% would have an equal but opposite effect).

	31 December 2016 USD	31 December 2015 USD
U.S. Leaders Equity Fund	6,775,105	7,874,857

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Fund's assets comprise mainly readily realisable securities which can be readily sold. The Fund is exposed to cash redemptions of redeemable shares. Therefore, it invests all of its assets in investments that are traded in an active market and can be readily disposed of and maintains cash and cash equivalents sufficient to meet normal liquidity requirements. The Fund did not use short or long term debt during the year (2015: nil).

The Fund's listed securities are considered readily realisable, as they are listed on a recognised stock exchange. The Fund has the ability to borrow in the short term to ensure settlement. No such borrowings have arisen during the year.

In accordance with the Company's policy, the Investment Adviser and the Sub-Investment Adviser monitor the Fund's liquidity position on a daily basis and the Board of Directors reviews it on a quarterly basis. There were no material changes to the Company's policies and processes for managing liquidity risk and the methods used to measure risk since the prior reporting date.

The below table summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The Fund's expected cash flows on these instruments do not vary significantly from this analysis, except for net assets attributable to holders of redeemable participating shares. Historical experience indicates that these shares are held by shareholders on a medium or long term basis.

As at 31 December 2016

U.S. Leaders Equity Fund	Less than 1 month USD	1 to 6 Months USD	6 to 12 Months USD	Over 12 Months USD	Total USD
Financial liabilities					
Redemptions payable	99,666	-	-	-	99,666
Accrued expenses	160,582	-	-	-	160,582
Net assets attributable to holders of redeemable participating shares	74,005,095	-	-	-	74,005,095
	74,265,343	**-**	**-**	**-**	**74,265,343**

As at 31 December 2015

U.S. Leaders Equity Fund	Less than 1 month USD	1 to 6 Months USD	6 to 12 Months USD	Over 12 Months USD	Total USD
Financial liabilities					
Other liabilities	12	-	-	-	12
Securities purchased payable	666,234	-	-	-	666,234
Accrued expenses	132,559	-	-	-	132,559
Net assets attributable to holders of redeemable participating shares	81,557,578	-	-	-	81,557,578
	82,356,383	**-**	**-**	**-**	**82,356,383**

Credit risk

Credit risk is the risk that a Fund's counterparty or investment issuer will be unable or unwilling to meet a commitment that it has entered into and cause the Fund to incur a financial loss. The Fund will be exposed to settlement risk on parties with whom it trades and custodian risk on parties with whom the Fund has placed its assets in custody.

Settlement risk: Most transactions in listed securities are settled on a cash versus delivery basis ("DVP") with settlement a few days after execution. Default by the broker could expose the Fund to an adverse price movement in the security between execution and default. Because the Fund would only be exposed to a potentially adverse market move (rather than 100% of the principal sum) during a short period, this risk is limited. In addition, default by regulated brokers in the major markets is rare.

Custodian risk: Custody risk is the risk of loss of assets held in custody. This is not a "primary credit risk" as the unencumbered assets of the Fund are segregated from the Depositary's own assets and the Depositary requires its sub-depositaries likewise to segregate non-cash assets. This mitigates custody risk but does not entirely eliminate it.

14. Financial instruments and associated risks (continued)

Credit risk (continued)

The Depositary has the power to appoint sub-depositaries, although, in accordance with the terms of the custodian agreement, the Depositary's liability shall not be affected by the fact that it has entrusted some or all of the assets in safekeeping to any third party (in order for the Depositary to discharge this responsibility, the Depositary must exercise care and diligence in choosing and appointing a third party as a safe-keeping agent so as to ensure that the third party has and maintains the expertise, competence and standing appropriate to discharge the responsibilities concerned and the Depositary must maintain an appropriate level of supervision over the safe-keeping agent and make appropriate enquiries from time to time to confirm that the obligations of the agent continue to be competently discharged).

The S&P long term credit rating of the Bank of New York Mellon, the ultimate parent of the Depositary, at the reporting date is AA- (2015: AA-).

15. Involvement with unconsolidated structured entities

The interests in short term investment funds which the Fund holds at 31 December 2016, but that it does not consolidate, meet the definition of unconsolidated structured entities. The investment funds are open ended money market funds.

The table below sets out interests held by the Fund in unconsolidated structured entities at 31 December 2016 and 31 December 2015.

	Carrying Amount USD	Total Net asset value at 31 December 2016 USD
BNY Mellon Cash Reserve USD	6,275,174	25,936,651,185

	Carrying Amount USD	Total Net asset value at 31 December 2015 USD
BNY Mellon Cash Reserve USD	3,591,431	30,915,772,818

16. Taxation

The Fund qualifies as an investment undertaking as defined in Section 739b (1) of the Taxes Consolidation Act, 1997, (the "Taxes Act"). Under current Irish law and practice, the Fund is not chargeable to Irish tax on its income and gains. However, tax can arise on the happening of a "chargeable event" in the Fund. A chargeable event includes any distribution payments to shareholders or any encashment, redemption, cancellation, transfer or deemed disposal (a deemed disposal will occur at the expiration of a relevant period) of shares or the appropriation or cancellation of shares of a shareholder by the Fund for the purposes of meeting the amount of tax payable on a gain arising on a transfer. No tax will arise on the Fund in respect of chargeable events in respect of a shareholder who is neither Irish resident nor ordinarily resident in Ireland at the time of the chargeable event provided that a relevant declaration is in place and the Fund is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct.

Dividends, interest and capital gains (if any) which the Fund receives with respect to its investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of investments are located. It is anticipated that the Fund may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in a repayment to the Fund, the NAV will not be re-stated and the benefit will be allocated to the existing shareholders rateably at the time of the repayment. Any reclaims due to the Fund are accounted for on a receipt basis. In addition, where the Fund invests in securities that are not subject to local taxes, for example withholdings tax, at the time of acquisition, there can be no assurance that tax may not be charged or withheld in the future as a result of any change in the applicable laws, treaties, rules or regulations or the interpretation thereof.

No stamp duty is payable in Ireland on the issue, transfer, repurchase or redemption of shares in the Fund. Where any subscription for or redemption of shares is satisfied by the in specie transfer of securities, property or other types of assets, Irish stamp duty may arise on the transfer of such assets. No Irish stamp duty will be payable by the Fund on the conveyance or transfer of stock or marketable securities provided that the stock or marketable securities in question have not been issued by a fund registered in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property or to any stocks or marketable securities of a fund (other than a fund which is an investment undertaking within the meaning of the Taxes Act which is registered in Ireland).

17. Net asset values

	31 December 2016	31 December 2015	31 December 2014
Net asset value			
Class A shares	$349,422	$297,343	$294,539
Class I shares	$73,655,673	$81,260,235	$93,903,302
Net asset value per share			
Class A shares	$16.87	$14.36	$15.83
Class I shares	$14.68	$12.41	$13.60

18. Related party disclosures

In accordance with IAS 24 - Related Party Disclosures the related parties of the Company and the required disclosures relating to material transactions with parties are outlined below.

Investment Adviser and Distributor

The Investment Adviser and Distributor are appointed to provide investment advisory services to the Fund. Christian Lange serves as Chief Executive Officer ("CEO") of the Investment Adviser, Trustee of the Investment Advisor's US Mutual Funds, E.I.I. Realty Securities Trust and Director of the ultimate parent company, EII Capital Holding, Inc.

18. Related party disclosures (continued)

Investment Adviser and Distributor (continued)

The Sub-Investment Adviser is also deemed a related party at the reporting date as Ronald J. Ulrich, a Director of the Fund, is also the CEO of the Sub-Investment Adviser and Distributor.

The Fund pays investment adviser fees at the rates set out in note 5. The Distributor does not receive a fee in its capacity as Distributor to the Fund.

Details of fees charged by/earned from related parties are outlined below:

	31 December 2016 USD	31 December 2015 USD
Investment adviser fees	732,454	917,567
Fee cap reimbursement	(11)	-

Directors

The Directors are also considered related parties of the Company as they have a significant influence over the operations of the Fund. All transactions between related parties are conducted at arm's length and can be summarised below.

The independent directors receive a director's fee from the Company. Both Christian Lange and Ronald J. Ulrich have waived their entitlement to a director's fee. Aggregate Directors' fees charged during the financial year ended 31 December 2016 amounted to €22,000 (2015: €22,000).

The Directors' fees charged for the year are shown in the statement of comprehensive income. Directors' fees were fully paid for the financial year at the reporting date (2015: fully paid).

Share transactions

The below table provides details of shares held by the related parties as at the reporting date:

Director	31 December 2016 Shares in the Company	31 December 2016 Shares in profit sharing plan	31 December 2015 Shares in the Company	31 December 2015 Shares in profit sharing plan
Christian Lange	455,127	85,805	461,907	85,805
Ronald Ulrich	230,000	-	230,000	-
EII Capital Management, Inc.	-	-	26,195	-

In addition, Christian Lange is the joint holder of 95,385 shares in the Investment Adviser's profit sharing plan at the reporting date (2015: 109,534). Christian Lange, Ronald Ulrich and the Investment Adviser each held one subscriber share in the Company at the reporting dates 31 December 2016 and 31 December 2015.

19. Fund Asset regime

The Company operates under a Fund Asset Model, whereby an umbrella collection account is held in the name of the Company. The umbrella collection account is used to collect subscription monies from investors and pay out redemption monies and also dividends (where applicable) to shareholders. The balances held in the accounts are reconciled on a daily basis and monies are not intended to be held in the account for long periods. The monies held in the collection accounts are considered an asset of the Company and are disclosed in the statement of financial position under cash and cash equivalents.

20. Capital management

The redeemable shares issued by the Fund provide an investor with the right to require redemption for cash at a value proportionate to the investor's shares in the Fund's net assets at each redemption date and are classified as liabilities. The Fund's objectives in managing the redeemable shares are to ensure a stable base to maximise returns to all investors and to manage liquidity risk arising from redemptions. The minimum capital requirement for entry into the Fund is €300,000.

21. Commitments and contingent liabilities

The Directors are not aware of any commitments or contingent liabilities of the Fund.

22. Changes to the prospectus

There were no material changes to the prospectus during the year.

23. Events after the reporting date

Effective 1 February 2017 Adrian Ulrich was appointed as a Director of the Company.

24. Approval of financial statements

The financial statements were authorised for issue by the Board of Directors on 25 April 2017.

Schedule of investments (unaudited)

As at 31 December 2016

U.S. Leaders Equity Fund

	Currency	Nominal holdings	Fair value USD	% NAV
Financial assets at fair value through profit or loss				
Equities				
Bermuda				
XL Group Ltd	USD	73,510	2,738,983	3.70%
			2,738,983	**3.70%**
Ireland				
Ardmore Shipping Corp	USD	327,560	2,423,944	3.28%
Perrigo Co PLC	USD	35,150	2,925,535	3.95%
			5,349,479	**7.23%**
Netherlands				
Chicago Bridge & Iron Co NV	USD	48,450	1,538,288	2.08%
			1,538,288	**2.08%**
United States				
Allison Transmission Holdings Inc	USD	54,490	1,835,767	2.48%
American International Group Inc	USD	51,350	3,353,668	4.53%
Babcock & Wilcox Enterprises Inc	USD	104,200	1,728,677	2.34%
Blue Bird Corp	USD	245,580	3,794,210	5.13%
Calpine Corp	USD	191,930	2,193,760	2.96%
Citigroup Inc	USD	31,710	1,884,525	2.55%
Citizens Financial Group Inc	USD	103,100	3,673,453	4.96%
DeVry Education Group Inc	USD	112,820	3,519,984	4.76%
Dynegy Inc	USD	103,000	871,380	1.18%
Era Group Inc	USD	158,145	2,683,721	3.63%
Express Inc	USD	147,700	1,589,252	2.15%
FNF Group	USD	65,890	2,237,624	3.02%
General Communication Inc	USD	97,550	1,897,348	2.56%
General Motors Co	USD	105,290	3,668,304	4.96%
Investors Bancorp Inc	USD	187,050	2,609,348	3.53%
KLX Inc	USD	39,400	1,777,334	2.40%
Kulicke & Soffa Industries Inc	USD	341,285	5,443,496	7.36%
Laboratory Corp of America Holdings	USD	18,160	2,331,381	3.15%
Leucadia National Corp	USD	138,600	3,222,450	4.35%
M/I Homes Inc	USD	97,985	2,467,262	3.33%
Owens-Illinois Inc	USD	119,931	2,087,999	2.82%
Quantum Corp	USD	2,476,575	2,060,758	2.78%
Vectrus Inc	USD	50,004	1,192,595	1.61%
			58,124,296	**78.54%**
Total equities (2015: 96.56%)			**67,751,046**	**91.55%**
Total financial assets at fair value through profit or loss (2015: 96.56%)			**67,751,046**	**91.55%**
Cash and cash equivalents and other net assets			6,254,049	8.45%
Net assets attributable to holders of redeemable participating shares (2015: 100.00%)			**74,005,095**	**100.00%**

Analysis of total assets	**% of assets**
Transferable securities listed on an official stock exchange	91.23%
Other current assets	8.77%
	100.00%

Statement of significant portfolio movements (unaudited)

For the financial year ended 31 December 2016

U.S. Leaders Equity Fund

The Central Bank Regulations requires all material changes that have occurred in the disposition of the assets of the UCITS to be documented in the annual report. A material change is defined as the aggregate purchases of a security exceeding 1 per cent of the total value of purchases for the year or aggregate disposals greater than 1 per cent of the total value of sales for the year.

Purchases	Cost USD
Perrigo Co PLC	3,103,374
Calpine Corp	2,783,373
Leucadia National Corp	2,728,742
Laboratory Corp of America Holdings	2,594,001
Blue Bird Corp	2,455,752
Ardmore Shipping Corp	2,351,998
M/I Homes Inc	1,868,175
KLX Inc	1,822,634
Citigroup Inc	1,796,519
Express Inc	1,689,211
Babcock & Wilcox Enterprises Inc	1,657,424
Chicago Bridge & Iron Co NV	1,630,674
General Communication Inc	1,524,869
Dynegy Inc	1,457,655
GNC Holdings Inc	1,259,667
DeVry Education Group Inc	645,011
Trinity Biotech PLC	605,549
Owens-Illinois Inc	313,970
Era Group Inc	202,154
Vectrus Inc	185,354

Sales	Proceeds USD
Ingram Micro Inc	6,476,499
Universal American Corp/NY	3,132,989
Telephone & Data Systems Inc	2,895,501
Vectrus Inc	2,806,205
Allscripts Healthcare Solutions Inc	2,625,495
NRG Energy Inc	2,601,076
Symantec Corp	2,535,664
Barrick Gold Corp	2,493,160
BWX Technologies Inc	2,276,963
WestRock Co	2,205,370
Bed Bath & Beyond Inc	2,129,355
GNC Holdings Inc	1,703,862
Yamana Gold Inc	1,552,772
FNFV Group	1,551,363
Kohl's Corp	1,540,077
Kulicke & Soffa Industries Inc	1,311,089
SP Plus Corp	1,186,331
Goldcorp Inc	1,086,732
General Motors Co	1,069,518
American International Group Inc	972,315
FNF Group	867,870
Denbury Resources Inc	864,892
XL Group PLC	845,363
Citizens Financial Group Inc	814,339
Investors Bancorp Inc	813,556
KLX Inc	794,940
Babcock & Wilcox Enterprises Inc	692,488
Atwood Oceanics Inc	686,912
Owens-Illinois Inc	646,124
Laboratory Corp of America Holdings	580,621
DeVry Education Group Inc	571,255

Soft commissions
The Sub-Investment Adviser has entered into soft commission arrangements with brokers under which certain goods and services used to support investment decision making were received by the Investment Adviser.

The Sub-Investment Adviser does not make direct payment for these services but transacts an agreed amount of business with the brokers on behalf of the Company. Commission is paid by the Company on these transactions.

The goods and services utilised for the Company may include the following:

(i) research and analytical services including economic factors, trends and computer services used to support investment making decisions; and

(ii) performance and valuation services.

With regard to the soft commission arrangements:

(i) the brokers have agreed to provide best execution to the Company; and

(ii) the benefits provided under the arrangement assist in the provision of investment services to the Company.

During the year U.S. $43,507 was incurred in soft commissions (2015: U.S. $46,984).

Total expense ratio

Class	31 December 2016	31 December 2015
USD Class A	1.97%	1.87%
USD Class I	1.37%	1.27%

Remuneration
In accordance with the European Union (Undertakings for Collective Investment in Transferable Securities) Regulations 2016, as amended, the Company adopted a remuneration policy which in the case of the Company, only applies to certain Directors as it has no employees.

The Company has a Board of Directors, two directors, each of whom is independent, receive a fixed fee only (which for the year ended 31 December 2016 is subject to a limit of €63,487 as noted in the Prospectus) and do not receive performance-based or variable remuneration. The fixed fees payable to such members of the Board of Directors are based on an expected number of meetings and the work required to oversee the operations of the Company, which is considered to be consistent with the powers, tasks, expertise and responsibility of the Directors. The aggregate amount of remuneration paid to those Directors for the financial year was €22,000.

The Company's remuneration policy was adopted by the Board of Directors during the course of the year to which this report relates and no material changes have been made to the remuneration policy during the financial year**.**