

**LOM FUNDS SAC LTD.**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

# LOM FUNDS SAC LTD.

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## INDEPENDENT AUDITORS' REPORT

To the Shareholders and Board of Directors of  
**LOM Funds SAC Ltd.**

We have audited the accompanying statements of assets and liabilities of LOM Funds SAC Ltd. (the "Company") which comprises the LOM Money Market Fund USD, LOM Money Market Fund CAD, LOM Money Market Fund GBP, LOM Stable Income Fund, LOM Fixed Income Fund USD, LOM Fixed Income Fund EUR, LOM Equity Growth Fund and LOM Balanced Fund, including the condensed schedules of investments, as of December 31, 2013, and the related statements of operations and changes in net assets for the year then ended (all expressed in functional currency of each fund) and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2013, and the results of its operations and changes in its net assets for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

*Deloitte Ltd.*

June 20, 2014

# LOM FUNDS SAC LTD.

## STATEMENTS OF ASSETS AND LIABILITIES

AS OF DECEMBER 31, 2013

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	LOM Money Market Fund \$ USD	LOM Money Market Fund \$ CAD	LOM Money Market Fund £ GBP	LOM Stable Income Fund \$ USD
<b>Assets</b>				
Investments in securities, at fair value (cost – \$15,080,869, C\$14,685,759, £442,066, \$27,162,486)	14,995,901	14,624,117	442,255	28,106,832
Cash	1,133,921	663,380	49,176	767,397
Dividends receivable	-	-	-	64,535
Interest receivable	165,753	179,147	2,390	10,033
Prepaid and other assets	5,853	2,901	222	7,811
<b>Total assets</b>	<b>16,301,428</b>	<b>15,469,545</b>	<b>494,043</b>	<b>28,956,608</b>
<b>Liabilities</b>				
Management fees payable	12,072	19,451	100	145,548
Accounts payable and accrued liabilities	30,464	14,151	402	40,118
<b>Total liabilities</b>	<b>42,536</b>	<b>33,602</b>	<b>502</b>	<b>185,666</b>
<b>Net assets</b>	<b>16,258,892</b>	<b>15,435,943</b>	<b>493,541</b>	<b>28,770,942</b>

*See the accompanying notes to the financial statements*

# LOM FUNDS SAC LTD.

## STATEMENTS OF ASSETS AND LIABILITIES (CONTINUED)

AS OF DECEMBER 31, 2013

	LOM Fixed Income Fund \$ USD	LOM Fixed Income Fund €EUR	LOM Equity Growth Fund \$ USD	LOM Balanced Fund \$ USD
<b>Assets</b>				
Investments in securities, at fair value (cost - \$44,022,930, €1,037,886, \$11,961,691, \$4,496,481)	43,649,288	1,029,773	14,841,132	5,150,329
Cash	1,808,907	14,289	199,010	16,567
Dividends receivable	-	-	12,308	-
Interest receivable	345,911	23,810	-	-
Prepaid and other assets	8,915	224	2,688	1,334
<b>Total assets</b>	<b>45,813,021</b>	<b>1,068,096</b>	<b>15,055,138</b>	<b>5,168,230</b>
<b>Liabilities</b>				
Management fees payable	128,434	2,899	75,699	10,181
Accounts payable and accrued liabilities	50,842	1,151	18,087	7,136
<b>Total liabilities</b>	<b>179,276</b>	<b>4,050</b>	<b>93,786</b>	<b>17,317</b>
<b>Net assets</b>	<b>45,633,745</b>	<b>1,064,046</b>	<b>14,961,352</b>	<b>5,150,913</b>

*See the accompanying notes to the financial statements*

# LOM FUNDS SAC LTD.

## CONDENSED SCHEDULES OF INVESTMENTS – LOM MONEY MARKET FUND USD

AS OF DECEMBER 31, 2013

Quantity	Cost \$ USD	Fair Value \$ USD	% of Net Assets
INVESTMENTS IN SECURITIES, AT FAIR VALUE			
COMMERCIAL PAPER			
China			
Financial**	498,509	499,776	3.0 %
CORPORATE BONDS			
Australia			
Basic Materials**	231,581	230,967	1.4
Chile			
Financial**	502,570	501,250	3.1
France			
Financial			
1,000,000 Dexia Credit Local FRN 4/29/2014 **	995,440	1,001,260	6.2
500,000 Credit Agricole FRN 7/21/2014 **	501,720	501,585	3.1
500,000 Credit Agricole FRN 1/21/2014 **	505,139	500,280	3.1
Other**	433,653	431,367	2.6
France Total	2,435,952	2,434,492	15.0
Hong Kong			
Diversified**	510,340	501,425	3.1
Mexico			
Communications**	508,130	504,055	3.1
South Korea			
Financial**	518,215	511,355	3.1
Switzerland			
Basic Materials**	509,560	506,465	3.1
United Kingdom			
Basic Materials**	515,520	510,585	3.1
Financial**	504,125	502,145	3.1
Industrial**	255,465	254,086	1.6
United Kingdom Total	1,275,110	1,266,816	7.8

\* Denotes an investment classified as Level 1

\*\* Denotes an investment classified as Level 2

\*\*\* Denotes an investment classified as Level 3

See the accompanying notes to the financial statements

# LOM FUNDS SAC LTD.

## CONDENSED SCHEDULES OF INVESTMENTS – LOM MONEY MARKET FUND USD (CONTINUED)

AS OF DECEMBER 31, 2013

Quantity	Cost \$ USD	Fair Value \$ USD	% of Net Assets
INVESTMENTS IN SECURITIES, AT FAIR VALUE (cont'd)			
CORPORATE BONDS (cont'd)			
United States			
Basic Materials**	238,280	234,311	1.4 %
Communications**	364,437	357,908	2.2
Consumer, Cyclical**	301,720	300,894	1.9
Energy**	457,321	452,628	2.8
Financial**	3,280,535	3,271,070	20.1
Technology**	709,029	708,284	4.4
United States Total	<u>5,351,322</u>	<u>5,325,095</u>	<u>32.8</u>
CORPORATE BONDS Total	<u>11,842,780</u>	<u>11,781,920</u>	<u>72.5</u>
GOVERNMENT BONDS			
France			
1,000,000 Caisse D'Amort Dette Soc FRN 7/2/2014 **	<u>1,003,260</u>	<u>1,001,830</u>	<u>6.2</u>
Mexico**	<u>504,040</u>	<u>503,600</u>	<u>3.1</u>
South Korea**	<u>1,028,330</u>	<u>1,008,775</u>	<u>6.2</u>
GOVERNMENT BONDS Total	<u>2,535,630</u>	<u>2,514,205</u>	<u>15.5</u>
MUNICIPAL BONDS			
United States**	203,950	200,000	1.2
Investments in Securities Total	<u><u>\$15,080,869</u></u>	<u><u>\$14,995,901</u></u>	<u><u>92.2 %</u></u>

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See the accompanying notes to the financial statements

# LOM FUNDS SAC LTD.

## CONDENSED SCHEDULES OF INVESTMENTS – LOM MONEY MARKET FUND CAD

AS OF DECEMBER 31, 2013

Quantity		Cost \$ CAD	Fair Value \$ CAD	% of Net Assets
INVESTMENTS IN SECURITIES, AT FAIR VALUE				
CORPORATE BONDS				
	Australia			
	Financial**	503,890	501,945	3.3 %
	Canada			
	Consumer, Cyclical**	502,590	501,765	3.3
	Financial**	5,113,098	5,099,132	33.0
	Industrial**	500,840	500,145	3.2
	Canada Total	6,116,528	6,101,042	39.5
	Netherlands			
	Financial**	501,540	500,335	3.2
	United States			
	Financial**	1,010,790	1,004,830	6.5
	CORPORATE BONDS Total	8,132,748	8,108,152	52.5
GOVERNMENT BONDS				
	Canada			
1,000,000	Canadian Government 2% 3/1/2014 **	1,001,911	1,001,670	6.5
500,000	Canadian Government 1% 2/1/2014 **	499,970	499,985	3.2
500,000	Province of Ontario FRN 10/28/2014 **	502,680	502,195	3.3
500,000	Province of Ontario FRN 7/8/2014 **	500,850	500,695	3.2
	Other**	2,531,570	2,505,490	16.2
	Canada Total	5,036,981	5,010,035	32.4
	Germany**	507,325	502,830	3.3
	Netherlands**	504,540	500,365	3.2
	Supranational**	504,165	502,735	3.3
	GOVERNMENT BONDS Total	6,553,011	6,515,965	42.2
	Investments in Securities Total	\$14,685,759	\$14,624,117	94.7 %

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# LOM FUNDS SAC LTD.

## CONDENSED SCHEDULES OF INVESTMENTS – LOM MONEY MARKET FUND GBP

AS OF DECEMBER 31, 2013

Quantity		Cost £ GBP	Fair Value £ GBP	% of Net Assets
INVESTMENTS IN SECURITIES, AT FAIR VALUE				
CORPORATE BONDS				
Netherlands				
Financial				
50,000	Rabobank Nederland FRN 6/6/2014 **	50,193	50,089	10.1 %
United Kingdom				
Financial				
50,000	Abbey National Treasury 5.5% 6/18/2014 **	51,123	51,010	10.3
50,000	Standard Chartered PLC 6.5% 4/28/2014 **	50,993	50,861	10.3
	United Kingdom Total	102,116	101,871	20.6
	CORPORATE BONDS Total	152,309	151,960	30.8
GOVERNMENT BONDS				
France				
50,000	Caisse D'Amort Dette Soc FRN 6/30/2014 **	50,160	50,049	10.1
Supranational				
50,000	European Investment Bank FRN 2/19/2015 *	50,037	50,019	10.1
	GOVERNMENT BONDS Total	100,197	100,068	20.2
MUTUAL FUNDS				
Ireland				
9	Fidelity Institutional Liquidity Sterling *	189,560	190,227	38.6
	Investment in Securities Total	£ 442,066	£ 442,255	89.6 %

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# LOM FUNDS SAC LTD.

## CONDENSED SCHEDULES OF INVESTMENTS – LOM STABLE INCOME FUND

AS OF DECEMBER 31, 2013

Quantity	Cost \$ USD	Fair Value \$ USD	% of Net Assets
INVESTMENTS IN SECURITIES, AT FAIR VALUE			
COMMON STOCK			
Australia			
Financial*	380,832	447,353	1.6 %
Communications*	280,655	375,146	1.3
Australia Total	661,487	822,499	2.9
Brazil			
Communications*	215,840	192,200	0.7
Canada			
Communications*	357,095	368,156	1.3
China			
Communications*	241,289	230,076	0.8
Germany			
Industrial*	225,956	304,722	1.1
Ireland			
Technology*	191,947	325,728	1.1
Japan			
Technology*	220,981	224,000	0.8
Netherlands			
Energy*	538,818	555,602	1.9
Spain			
Financial*	207,588	272,100	0.9
United Kingdom			
Financial*	396,782	383,145	1.3
Consumer, Non-cyclical*	452,586	592,367	2.1
Utilities*	493,322	626,821	2.2
United Kingdom Total	1,342,690	1,602,333	5.6

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# LOM FUNDS SAC LTD.

## CONDENSED SCHEDULES OF INVESTMENTS – LOM STABLE INCOME FUND (CONTINUED)

AS OF DECEMBER 31, 2013

Quantity	Cost \$ USD	Fair Value \$ USD	% of Net Assets
INVESTMENTS IN SECURITIES, AT FAIR VALUE (cont'd)			
COMMON STOCK (cont'd)			
United States			
Industrial*	789,372	1,026,811	3.5 %
Financial*	460,102	711,680	2.5
Consumer, Non-cyclical*	1,063,243	1,259,141	4.4
Communications*	372,276	379,728	1.3
Technology*	627,933	718,130	2.5
Utilities*	193,552	195,585	0.7
Consumer, Cyclical*	221,666	242,575	0.8
United States Total	3,728,144	4,533,650	15.7
COMMON STOCK Total	7,931,835	9,431,066	32.8
CORPORATE BONDS			
Luxembourg			
Basic Materials**	303,067	328,125	1.1
United Kingdom			
Financial**	200,200	216,022	0.8
United States			
Technology**	352,549	353,294	1.2
CORPORATE BONDS Total	855,816	897,441	3.1
EXCHANGE TRADED FUNDS			
United States			
51,000 iShares International Select Dividend*	1,769,104	1,934,940	6.7
Other*	5,157,911	5,454,965	19.0
United States Total	6,927,015	7,389,905	25.7
Australia*	482,899	497,305	1.7
EXCHANGE TRADED FUNDS Total	7,409,914	7,887,210	27.4

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See the accompanying notes to the financial statements

## LOM FUNDS SAC LTD.

### CONDENSED SCHEDULES OF INVESTMENTS – LOM STABLE INCOME FUND (CONTINUED)

AS OF DECEMBER 31, 2013

Quantity	Cost \$ USD	Fair Value \$ USD	% of Net Assets
INVESTMENTS IN SECURITIES, AT FAIR VALUE (cont'd)			
PREFERRED STOCK			
Bermuda			
Industrial*	252,752	248,000	0.9 %
Financial*	1,833,777	1,604,085	5.5
Bermuda Total	2,086,529	1,852,085	6.4
Germany			
Financial*	257,340	293,700	1.0
United Kingdom			
Financial*	405,377	438,400	1.5
United States			
Financial*	4,395,512	3,960,490	13.8
Communications*	1,060,686	875,005	3.0
Technology*	676,495	672,754	2.3
Utilities*	1,832,732	1,543,981	5.4
Energy*	250,250	254,700	0.9
United States Total	8,215,675	7,306,930	25.4
Preferred Stock Total	10,964,921	9,891,115	34.3
Investments in Securities Total	\$ 27,162,486	\$ 28,106,832	97.6 %

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\*\*\* Denotes an investment classified as Level 3

*See the accompanying notes to the financial statements*

## LOM FUNDS SAC LTD.

### CONDENSED SCHEDULES OF INVESTMENTS – LOM FIXED INCOME FUND USD

AS OF DECEMBER 31, 2013

Quantity	Cost \$ USD	Fair Value \$ USD	% of Net Assets
INVESTMENTS IN SECURITIES, AT FAIR VALUE			
ASSET BACKED SECURITIES			
United States			
Diversified Pools**	3,332,909	3,288,688	7.2 %
CORPORATE BONDS			
Australia			
Financial**	1,882,271	1,899,035	4.1
Brazil			
Basic Materials**	995,788	895,860	2.0
Energy**	952,738	916,141	2.0
Brazil Total	1,948,526	1,812,001	4.0
China			
Communications**	864,911	859,724	1.9
Energy**	935,844	930,088	2.0
China Total	1,800,755	1,789,812	3.9
Luxembourg			
Financial**	911,180	924,806	2.0
Netherlands			
Financial**	2,846,457	2,837,270	6.2
South Korea			
Energy**	2,170,294	2,168,416	4.8
Spain			
Financial**	1,278,919	1,318,205	2.9
Switzerland			
Financial**	1,046,918	1,004,045	2.2
United Arab Emirates			
Financial**	952,690	941,625	2.1
United Kingdom			
Financial**	968,620	961,619	2.1

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See the accompanying notes to the financial statements

# LOM FUNDS SAC LTD.

## CONDENSED SCHEDULES OF INVESTMENTS – LOM FIXED INCOME FUND USD (CONTINUED)

**AS OF DECEMBER 31, 2013**

Quantity	Cost \$ USD	Fair Value \$ USD	% of Net Assets
INVESTMENTS IN SECURITIES, AT FAIR VALUE (cont'd)			
CORPORATE BONDS (cont'd)			
United States			
Basic Materials**	980,826	853,570	1.9 %
Communications**	1,051,535	1,051,522	2.3
Consumer, Cyclical**	1,565,333	1,532,377	3.3
Consumer, Non-cyclical**	1,945,385	1,864,285	4.1
Energy**	1,540,156	1,541,780	3.4
Financial**	5,021,980	4,941,670	10.9
Industrial**	1,459,872	1,489,364	3.3
Technology**	1,572,636	1,553,254	3.4
Utilities**	499,300	496,250	1.1
United States Total	<u>15,637,023</u>	<u>15,324,072</u>	<u>33.7</u>
CORPORATE BONDS Total	<u>31,443,653</u>	<u>30,980,906</u>	<u>68.0</u>
GOVERNMENT BONDS			
South Korea**	1,864,370	1,914,159	4.2
Supranational**	928,525	914,078	2.0
United States**	<u>896,990</u>	<u>896,670</u>	<u>2.0</u>
GOVERNMENT BONDS Total	<u>3,689,885</u>	<u>3,724,907</u>	<u>8.2</u>
MORTGAGE BACKED SECURITIES			
United States			
Diversified Pools**	<u>709,604</u>	<u>662,846</u>	<u>1.4</u>
MUNICIPAL BONDS			
United States**	<u>499,000</u>	<u>492,300</u>	<u>1.1</u>
MUTUAL FUNDS			
Luxembourg*	<u>818,801</u>	<u>1,006,101</u>	<u>2.2</u>

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*See the accompanying notes to the financial statements*

## LOM FUNDS SAC LTD.

### CONDENSED SCHEDULES OF INVESTMENTS – LOM FIXED INCOME FUND USD (CONTINUED)

AS OF DECEMBER 31, 2013

Quantity	Cost \$ USD	Fair Value \$ USD	% of Net Assets
INVESTMENTS IN SECURITIES, AT FAIR VALUE (cont'd)			
PREFERRED STOCK			
Bermuda			
Financial*	979,327	936,100	2.0 %
United Kingdom			
Financial*	1,828,119	1,848,480	4.1
United States			
Financial*	721,632	708,960	1.5
PREFERRED STOCK Total	3,529,078	3,493,540	7.6
Investments in Securities Total	\$44,022,930	\$43,649,288	95.7 %

\* Denotes an investment classified as Level 1

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*See the accompanying notes to the financial statements*

# LOM FUNDS SAC LTD.

## CONDENSED SCHEDULES OF INVESTMENTS – LOM FIXED INCOME FUND EUR

AS OF DECEMBER 31, 2013

Quantity		Cost €EUR	Fair Value €EUR	% of Net Assets
INVESTMENTS IN SECURITIES, AT FAIR VALUE				
CORPORATE BONDS				
	Australia			
	Financial			
50,000	National Australia Bank 4.75% 7/15/2016 **	55,626	54,780	5.1 %
	France			
	Financial			
50,000	Cie Financement Foncier 4.125% 10/25/2017	54,545	55,753	5.2
	Germany			
	Consumer, Cyclical**	50,840	51,211	4.8
	Industrial			
50,000	Siemens AG VRN 9/14/2066 **	53,630	53,801	5.1
	Germany Total	104,470	105,012	9.9
	Netherlands			
	Consumer, Non-cyclical**	55,099	50,836	4.8
	Financial**	52,565	51,382	4.8
	Utilities **	14,890	15,525	1.5
	Netherlands Total	122,554	117,743	11.1
	Switzerland			
	Basic Materials			
50,000	Glencore International PLC 5.25% 3/22/2017	56,231	55,445	5.2
	Financial			
50,000	UBS 6% 4/18/2018 **	60,810	59,208	5.6
	Switzerland Total	117,041	114,653	10.8
	United Kingdom			
	Financial**	53,581	51,325	4.8

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See the accompanying notes to the financial statements

# LOM FUNDS SAC LTD.

## CONDENSED SCHEDULES OF INVESTMENTS – LOM FIXED INCOME FUND EUR (CONTINUED)

AS OF DECEMBER 31, 2013

Quantity		Cost €EUR	Fair Value €EUR	% of Net Assets
INVESTMENTS IN SECURITIES, AT FAIR VALUE (cont'd)				
CORPORATE BONDS (cont'd)				
	United States			
	Communications			
50,000	AT&T Inc 6.125% 4/2/2015 **	56,050	53,365	5.0 %
	Consumer, Cyclical			
50,000	BMW US Capital LLC 5% 5/28/2015 **	55,280	52,985	5.0
	Financial			
50,000	Morgan Stanley 4.5% 2/23/2016 **	52,527	53,217	5.0
50,000	Zurich Finance (USA) Inc 6.5% 10/14/2015 **	57,688	54,920	5.2
	Other**	140,511	149,082	14.0
	United States Total	362,056	363,569	34.2
	CORPORATE BONDS Total	869,873	862,835	81.1
GOVERNMENT BONDS				
	Czech Republic			
50,000	Czech Republic 3.875% 5/24/2022 **	56,240	55,750	5.2
	France			
50,000	Caisse Francaisede Financement 5.25% 2/6/2013 *	56,503	56,663	5.3
	South Korea			
50,000	Export-Import Bank Korea 4.625% 2/20/2017 *	55,270	54,525	5.1
	GOVERNMENT BONDS Total	168,013	166,938	15.6
	Investment in Securities Total	€1,037,886	€1,029,773	96.7 %

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See the accompanying notes to the financial statements

# LOM FUNDS SAC LTD.

## CONDENSED SCHEDULES OF INVESTMENTS – LOM EQUITY GROWTH FUND

AS OF DECEMBER 31, 2013

Quantity	Cost \$ USD	Fair Value \$ USD	% of Net Assets
INVESTMENTS IN SECURITIES, AT FAIR VALUE			
COMMON STOCK			
Germany			
Consumer, Cyclical*	286,115	434,600	2.9 %
Industrial*	313,115	415,530	2.8
Germany Total	599,230	850,130	5.7
Ireland			
Consumer, Non-cyclical*	174,774	249,246	1.7
Industrial*	202,415	353,958	2.4
Technology*	199,996	221,994	1.5
Ireland Total	577,185	825,198	5.6
Switzerland			
Consumer, Non-cyclical*	240,932	266,862	1.8
United Kingdom			
Financial*	415,001	405,683	2.7
United States			
Basic Materials*	249,959	354,736	2.4
Communications*	243,113	475,743	3.2
Consumer, Cyclical*	832,333	1,204,778	8.0
Consumer, Non-cyclical*	1,572,382	2,029,679	13.5
Energy*	784,490	905,879	6.1
Financial*	618,160	1,038,007	6.9
Industrial*	651,621	765,089	5.1
Technology*	1,107,655	1,208,902	8.1
United States Total	6,059,713	7,982,813	53.3
COMMON STOCK Total	7,892,061	10,330,686	69.1

\* Denotes an investment classified as Level 1

\*\* Denotes an investment classified as Level 2

\*\*\* Denotes an investment classified as Level 3

See the accompanying notes to the financial statements

# LOM FUNDS SAC LTD.

## CONDENSED SCHEDULES OF INVESTMENTS – LOM EQUITY GROWTH FUND (CONTINUED)

AS OF DECEMBER 31, 2013

Quantity		Cost \$ USD	Fair Value \$ USD	% of Net Assets
INVESTMENTS IN SECURITIES, AT FAIR VALUE (cont'd)				
EXCHANGE TRADED FUNDS				
United States				
	Wisdom Tree Emerging Markets Equity			
15,800	Income *	846,252	806,274	5.4 %
15,000	WisdomTree Japan Hedged Equity *	732,695	762,600	5.1
	Other*	2,290,483	2,758,532	18.4
	United States Total	3,869,430	4,327,406	28.9
	EXCHANGE TRADED FUNDS Total	3,869,430	4,327,406	28.9
PREFERRED STOCK				
Bermuda				
	Financial*	200,200	183,040	1.2
	Investments in Securities Total	\$11,961,691	\$14,841,132	99.2 %

\* Denotes an investment classified as Level 1

\*\* Denotes an investment classified as Level 2

\*\*\* Denotes an investment classified as Level 3

See the accompanying notes to the financial statements

# LOM FUNDS SAC LTD.

## CONDENSED SCHEDULES OF INVESTMENTS – LOM BALANCED FUND

AS OF DECEMBER 31, 2013

Quantity		Cost \$ USD	Fair Value \$ USD	% of Net Assets
INVESTMENTS IN SECURITIES, AT FAIR VALUE				
EXCHANGE TRADED FUNDS				
	Canada*	91	50	0.0 %
	United States*	516,957	490,542	9.5
EXCHANGE TRADED FUNDS Total		517,048	490,592	9.5
HEDGE FUNDS (LIQUIDATING)				
	Bermuda****	57,103	45,994	0.9
MUTUAL FUNDS				
Bermuda				
208,874	LOM Equity Growth Fund **	1,879,850	2,400,654	46.6
26,136	LOM Fixed Income Fund EUR **	369,098	412,819	8.0
26,410	LOM Fixed Income Fund USD **	373,523	380,929	7.4
69,828	LOM Stable Income Fund **	708,415	754,557	14.7
Bermuda Total		3,330,886	3,948,959	76.7
	China**	100,150	100,001	1.9
	Ireland*	201,911	203,631	4.0
	Luxembourg*	289,383	361,152	7.0
MUTUAL FUNDS Total		3,922,330	4,613,743	89.6
Investment in Securities Total		\$4,496,481	\$5,150,329	100.0 %

\* Denotes an investment classified as Level 1

\*\* Denotes an investment classified as Level 2

\*\*\* Denotes an investment classified as Level 3

*See the accompanying notes to the financial statements*

# LOM FUNDS SAC LTD.

## STATEMENTS OF OPERATIONS

**FOR THE YEAR ENDED DECEMBER 31, 2013**

	LOM Money Market Fund	LOM Money Market Fund	LOM Money Market Fund	LOM Stable Income Fund
	\$ USD	\$ CAD	£ GBP	\$ USD
<b>Investment income</b>				
Interest income	480,290	202,423	2,876	80,993
Dividends, net of withholding taxes (\$0, C\$0, £0, \$312,230)	-	-	-	1,710,825
Other income	-	-	-	-
<b>Total investment income</b>	<u>480,290</u>	<u>202,423</u>	<u>2,876</u>	<u>1,791,818</u>
<b>Expenses</b>				
Interest expense	370	-	1	-
Management fee	112,205	75,045	2,410	579,772
Audit fees	17,145	6,838	292	15,996
Miscellaneous expenses	51,420	29,935	954	89,113
<b>Total expenses</b>	<u>181,140</u>	<u>111,818</u>	<u>3,657</u>	<u>684,881</u>
Management fees waived	<u>(23,761)</u>	<u>-</u>	<u>(1,368)</u>	<u>-</u>
<b>Net expenses</b>	<u>157,379</u>	<u>111,818</u>	<u>2,289</u>	<u>684,881</u>
<b>Net Investment income</b>	<u>322,911</u>	<u>90,605</u>	<u>587</u>	<u>1,106,937</u>
<b>Realized and unrealized gain/(loss) on investments</b>				
Net realized gain/(loss) on sale of investments	(291,350)	4,550	(756)	555,436
Net change in unrealized appreciation/ (depreciation) on investments	<u>(28,247)</u>	<u>(22,041)</u>	<u>169</u>	<u>90,645</u>
<b>Net realized and unrealized gain/(loss) on investments</b>	<u>(319,597)</u>	<u>(17,491)</u>	<u>(587)</u>	<u>646,081</u>
<b>Net increase in net assets resulting from operations</b>	<u>3,314</u>	<u>73,114</u>	<u>-</u>	<u>1,753,018</u>

*See the accompanying notes to the financial statements*

# LOM FUNDS SAC LTD.

## STATEMENTS OF OPERATIONS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2013

	LOM Fixed Income Fund \$ USD	LOM Fixed Income Fund €EUR	LOM Equity Growth Fund \$ USD	LOM Balanced Fund \$ USD
<b>Investment income</b>				
Interest income	1,374,570	27,409	2,150	828
Dividends, net of withholding taxes (\$16,160, €0, \$96,413, \$3,104)	130,733	-	266,592	57,228
Other income	3,191	-	-	-
<b>Total Investment income</b>	<b>1,508,494</b>	<b>27,409</b>	<b>268,742</b>	<b>58,056</b>
<b>Expenses</b>				
Interest expense	1,248	-	98	-
Management fees	490,620	11,080	229,602	40,040
Audit fees	24,428	568	6,145	3,181
Miscellaneous expenses	106,334	2,766	30,585	14,757
<b>Total expenses</b>	<b>622,630</b>	<b>14,414</b>	<b>266,430</b>	<b>57,978</b>
Management fees waived	-	-	-	-
<b>Net expenses</b>	<b>622,630</b>	<b>14,414</b>	<b>266,430</b>	<b>57,978</b>
<b>Net Investment income</b>	<b>885,864</b>	<b>12,995</b>	<b>2,312</b>	<b>78</b>
<b>Realized and unrealized gain/(loss) on investments</b>				
Net realized gain/(loss) on sale of investments	104,130	12,595	385,358	209,718
Net change in unrealized appreciation/ (depreciation) on investments	(1,194,084)	(21,659)	2,129,134	215,816
<b>Net realized and unrealized gain/(loss) on investments</b>	<b>(1,089,954)</b>	<b>(9,064)</b>	<b>2,514,492</b>	<b>425,534</b>
<b>Net increase/(decrease) in net assets resulting from operations</b>	<b>(204,090)</b>	<b>3,931</b>	<b>2,516,804</b>	<b>425,612</b>

*See the accompanying notes to the financial statements*

# LOM FUNDS SAC LTD.

## STATEMENTS OF CHANGES IN NET ASSETS

**FOR THE YEAR ENDED DECEMBER 31, 2013**

	LOM Money Market Fund	LOM Money Market Fund	LOM Money Market Fund	LOM Stable Income Fund
	\$ USD	\$ CAD	£ GBP	\$ USD
<b>Net increase/(decrease) in net assets resulting from operations</b>				
Net investment income	322,911	90,605	587	1,106,937
Net realized gain/(loss) on sale of investments	(291,350)	4,550	(756)	553,853
Net change in unrealized appreciation/ (depreciation) on investments	(28,247)	(22,041)	169	92,228
<b>Net increase in net assets resulting from operations</b>	<u>3,314</u>	<u>73,114</u>	<u>-</u>	<u>1,753,018</u>
<b>Capital share transactions</b>				
Issuance of non-restricted, voting Participating Shares	36,271,633	6,501,617	24,922	14,431,930
Redemption of non-restricted, voting Participating Shares	(53,626,047)	(3,645,093)	(63,541)	(15,705,970)
Dividends distributed	-	-	-	(1,298,648)
<b>Net increase/(decrease) in net assets from capital share transactions</b>	<u>(17,354,414)</u>	<u>2,856,525</u>	<u>(38,619)</u>	<u>(2,572,688)</u>
<b>Net increase/(decrease) in net asset during the year</b>	<u>(17,351,100)</u>	<u>2,929,639</u>	<u>(38,619)</u>	<u>(819,670)</u>
<b>Net assets at beginning of year</b>	<u>33,609,992</u>	<u>12,506,305</u>	<u>532,160</u>	<u>29,590,612</u>
<b>Net assets at end of year</b>	<u><u>16,258,892</u></u>	<u><u>15,435,943</u></u>	<u><u>493,541</u></u>	<u><u>28,770,942</u></u>

*See the accompanying notes to the financial statements*

# LOM FUNDS SAC LTD.

## STATEMENTS OF CHANGES IN NET ASSETS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2013

	LOM Fixed Income Fund \$ USD	LOM Fixed Income Fund €EUR	LOM Equity Growth Fund \$ USD	LOM Balanced Fund \$ USD
<b>Net increase/(decrease) in net assets resulting from operations</b>				
Net investment income	885,864	12,995	2,312	78
Net realized gain/(loss) on sale of investments	104,130	12,595	385,358	209,718
Net change in unrealized appreciation/ (depreciation) on investments	(1,194,084)	(21,659)	2,129,134	215,816
<b>Net increase/(decrease) in net assets resulting from operations</b>	(204,090)	3,931	2,516,804	425,612
<b>Capital share transactions</b>				
Issuance of non-restricted, voting Participating Shares	15,800,301	111,313	2,240,577	1,445,940
Redemption of non-restricted, voting Participating Shares	(18,485,335)	(91,033)	(989,429)	(2,530,366)
Dividends distributed	-	-	-	-
<b>Net increase/(decrease) in net assets from capital share transactions</b>	(2,685,034)	20,280	1,251,148	(1,084,426)
<b>Net increase/(decrease) in net asset during the year</b>	(2,889,124)	24,211	3,767,952	(658,814)
<b>Net assets at beginning of year</b>	48,522,869	1,039,835	11,193,400	5,809,727
<b>Net assets at end of year</b>	45,633,745	1,064,046	14,961,352	5,150,913

*See the accompanying notes to the financial statements*

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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### NOTE 1 - NATURE OF THE COMPANY

#### *ORGANIZATION*

LOM Funds SAC Ltd. (the “Company”) was incorporated in Bermuda as a segregated accounts company pursuant to the Companies Act of 1981 (as amended) and registered under the Segregated Accounts Companies Act 2000, as amended, on November 28, 2011, and began operations on January 2, 2012. The names of the segregated accounts each, a “Segregated Account,” collectively (the “Funds”) are as follows:

- LOM Money Market Fund USD
- LOM Money Market Fund CAD
- LOM Money Market Fund GBP
- LOM Stable Income Fund
- LOM Fixed Income Fund USD
- LOM Fixed Income Fund EUR
- LOM Equity Growth Fund
- LOM Balanced Fund

As a segregated accounts company, the Company is permitted to create Segregated Accounts in order to segregate the assets and liabilities that are held within or on behalf of a particular Segregated Account from the assets and liabilities of any other Segregated Account and from the Company’s general assets and liabilities. Segregated Account assets are only available and may only be used to meet liabilities to creditors in respect of a particular Segregated Account and are not available to meet liabilities to creditors in respect of other Segregated Accounts or to general creditors of the Company. As of December 31, 2013, there were eight Segregated Accounts, all of which are within these financial statements.

Capitalized terms herein have been defined in the company’s Information Memorandum, or in a segregated Account’s Class Supplement unless otherwise noted.

Each Segregated Account has its own investment objective and strategy.

The LOM Money Market Fund USD is a money market fund designed to preserve investors capital and liquidity while providing, through active management, a return in line with US Dollar short-term money rates.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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### NOTE 1 - NATURE OF THE COMPANY (CONTINUED)

The LOM Money Market Fund CAD is a money market fund designed to preserve investors' capital and liquidity while providing, through active management, a return in line with Canadian Dollar short-term money rates.

The LOM Money Market Fund GBP is a money market fund designed to preserve investors capital and liquidity while providing, through active management, a return in line with Pound Sterling short-term money rates.

The investment objective of the LOM Stable Income Fund is to generate premium returns over full market cycles and protect the purchasing power and principal of the LOM Stable Income Fund while providing relatively high levels of monthly current income through the purchase of attractively valued, higher yielding securities.

The investment objective of the LOM Fixed Income Fund USD is to achieve above-average long-term absolute returns while controlling risk through an effective program of diversification when considered prudent and through an asset allocation strategy with an emphasis on fixed income securities with a focus on the United States.

The investment objective of the LOM Fixed Income Fund EUR is to achieve above-average long-term absolute returns while controlling risk through an effective program of diversification when considered prudent and through an asset allocation strategy with an emphasis on fixed income securities with a focus on the European region.

The investment objective of the LOM Equity Growth Fund is to achieve above-average long-term capital appreciation and dividend income while controlling risk through diversification by company, industry, and region. The LOM Equity Growth Fund invests primarily in the quoted equities of larger capitalisation global companies and in exchange traded funds.

The investment objective of the LOM Balanced Fund is to achieve above-average long-term appreciation of capital while controlling risk by primarily purchasing mutual funds and exchange traded funds, whilst maintaining disciplined and effective money management strategies.

Each Segregated Account is listed on the Bermuda Stock Exchange.

LOM Asset Management Limited ("LOMAM" or the "Investment Manager") (a related party to the Company) acts as the Investment Manager and owns 100% of the Organisational Shares (Note 5). Global Custody and Clearing Limited (the "Custodian") (a related party to the Company) acts as paying agent and custodian to the Company.

Certain directors of the Company are also principals, directors and officers of companies affiliated with LOMAM and the Custodian.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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### NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Company in the preparation of its financial statements. The policies are in conformity with United States (“U.S.”) generally accepted accounting principles, which require management to make estimates and assumptions that affect the reported amounts, contingent assets and liabilities, and disclosures in the financial statements. Actual results could differ from those estimates. Management has considered the circumstances under which the Company should recognize or make disclosures regarding events or transactions occurring subsequent to the balance sheet date through the date the financial statements were issued. Adjustments or additional disclosures, if any, have been included in these financial statements.

#### *CASH*

Cash consists of interest bearing and non interest bearing accounts held by the Custodian, a related party.

#### *INVESTMENT VALUATION AND REVENUE RECOGNITION*

Investment transactions are accounted for on a trade date basis.

The Company invests in securities traded on a stock exchange or other market which are valued generally at last trade value and where this is not available at the last mid-market price on the relevant exchange or market or, if not available, at bid value prices (see Note 3).

The Company invests in bonds and other fixed income securities that may not trade on national exchanges. These investments are valued at the last quoted bid price and where this is not available at the last trade value, or if not available, at prices determined by an independent third party pricing source (see Note 3).

The Company invests in other investment companies which consist primarily of mutual funds and exchange traded funds (“ETFs”). Mutual funds are valued at the net asset value or bid prices of the fund, as published or otherwise reported by the respective stock exchange or administrator. The other investment companies in which the Company invests will generally value securities at fair value. Investments in ETFs are stated at the last reported sales price on the day of valuation or at the last quoted bid price, if no sale was reported on the valuation date (see Note 3).

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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### NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *INVESTMENT VALUATION AND REVENUE RECOGNITION (CONTINUED)*

Realized and unrealized gains and losses on investments are calculated using the first-in-first-out method, and are reported in the accompanying statements of operations.

#### *INCOME RECOGNITION*

Interest income is earned on cash balances, fixed income securities and money market securities. Interest income earned on cash balances is recognized when posted. Interest income on fixed income securities is recognized on an accrual basis based on the stated interest rate of the security. Dividend income is recognized on the ex-dividend date and is presented net of withholding taxes, which are withheld by the Custodian's clearing brokers.

#### *FOREIGN CURRENCY TRANSLATION*

The functional currency for the LOM Money Market Fund CAD is the Canadian Dollar ("CAD"). The functional currency for the LOM Fixed Income Fund EUR is the Euro ("EUR"). The functional currency for the LOM Money Market Fund GBP is the British Pound ("GBP"). For all other Segregated Accounts, the functional currency is the United States Dollar ("USD"). Investment securities denominated in currencies other than a Segregated Account's functional currency are translated to the Segregated Account's functional currency at the date of valuation. Purchases and sales of investment securities and income and expense items denominated in currencies other than Segregated Account's functional currency are translated to the Segregated Account's function currency on the respective date of such transactions.

The Company does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized gain or loss on sale of investments, and the net change in unrealized appreciation or depreciation on investments.

#### *CONDENSED SCHEDULES OF INVESTMENTS*

The accompanying condensed schedules of investments presents the investments by country. The industry classifications included in the condensed schedules of investments represent management's belief as to the most meaningful presentation of the classification of the Company's investments.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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### NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS*

In April 2013, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2013-07, Presentation of Financial Statements: Liquidation Basis of Accounting. The amendments in the ASU provide clarity on when and how certain entities should apply the liquidation basis of accounting. The ASU is effective for entities that determine liquidation is imminent during interim and annual reporting periods beginning after December 15, 2013. The Company is currently reviewing the requirements and believes the adoption of this ASU is only expected to have an impact on the financial statements if liquidation became imminent.

In June 2013, the FASB issued ASU 2013-08, Financial Services – Investment Companies: Amendments to the Scope, Measurement and Disclosure Requirements, which updates the criteria, used in defining an investment company under US GAAP and also sets forth certain measurement and disclosure requirements. The amendments are effective for fiscal periods (including interim periods) beginning after December 15, 2013. While the Company is still assessing the impact of this update on disclosures, the impact is not expected to be material to the Funds financial statements.

### NOTE 3 - FAIR VALUE MEASUREMENTS

The Company follows a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Company’s own market assumptions (unobservable inputs). These inputs are used in determining the value of the Company’s investments and are summarized in the following fair value hierarchy:

- Level 1 – inputs are based upon unadjusted quoted prices for identical instruments traded in active markets. Level 1 non-derivative investments primarily include U.S. treasuries, domestic and international equities, and actively traded mutual funds. Level 1 derivative assets and liabilities include those actively traded on exchanges.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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### NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

- Level 2 – inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant inputs are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Where applicable, these models project future cash flows and discount the future amounts to a present value using market-based observable inputs including interest rate curves, foreign exchange rates, and forward and spot prices for currencies and commodities. Level 2 non-derivative investments consist primarily of corporate notes and bonds, non-U.S. government debt, mortgage-backed securities, agency securities, certificates of deposit, and commercial paper. Level 2 derivative assets and liabilities primarily include certain over-the-counter option contracts.
- Level 3 – inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques, including option pricing models and discounted cash flow models.

Securities for which market quotations are not readily available are fair valued as determined by the Investment Manager. Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Company's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. The Company uses prices and inputs that are current as of the measurement date, including periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many securities. This condition could cause a security to be reclassified to a lower level within the fair value hierarchy.

The use of valuation techniques and the availability of observable inputs can vary from security to security and is affected by a wide variety of factors and other characteristics particular to the transaction. Factors that may be considered when fair valuing a security are: fundamental analytical data relating to the investment in the security; evaluation of the forces that influence the market in which the security is purchased and sold; type of security or asset; financial statements of issuer; special reports prepared by analysts or the Investment Manager; information as to any transactions or offers with respect to the security; and the historical tendency of the security's price to track or respond to general and specific market movements (in terms of indices, sectors, or other market measurements). To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for securities categorized in Level 3.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

### NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities

The following are the Company's major categories of assets measured at fair value as of December 31, 2013:

Description	Level 1	Level 2	Level 3	Total
<b>LOM Money Market Fund USD:</b>	\$ USD	\$ USD	\$ USD	\$ USD
<b>Investment Assets:</b>				
Commercial Paper	-	499,776	-	499,776
Corporate Bonds	-	11,781,920	-	11,781,920
Government Bonds	-	2,514,205	-	2,514,205
Municipal Bonds	-	200,000	-	200,000
<b>Total Investment Assets</b>	-	14,995,901	-	14,995,901

Description	Level 1	Level 2	Level 3	Total
<b>LOM Money Market Fund CAD:</b>	\$ CAD	\$ CAD	\$ CAD	\$ CAD
<b>Investment Assets:</b>				
Corporate Bonds	-	8,108,152	-	8,108,152
Government Bonds	-	6,515,965	-	6,515,965
<b>Total Investment Assets</b>		14,624,117	-	14,624,117

Description	Level 1	Level 2	Level 3	Total
<b>LOM Money Market Fund GBP:</b>	£ GBP	£ GBP	£ GBP	£ GBP
<b>Investment Assets:</b>				
Corporate Bonds	-	151,960	-	151,960
Government Bonds	-	100,068	-	100,068
Mutual Funds	190,227	-	-	190,227
<b>Total Investment Assets</b>	190,227	252,028	-	442,255

Description	Level 1	Level 2	Level 3	Total
<b>LOM Stable Income Fund:</b>	\$ USD	\$ USD	\$ USD	\$ USD
<b>Investment Assets:</b>				
Common Stock	9,431,066	-	-	9,431,066
Corporate Bonds	-	897,441	-	897,441
Exchange Traded Funds	7,887,210	-	-	7,887,210
Preferred Stock	9,891,115	-	-	9,891,115
<b>Total Investment Assets</b>	27,209,391	897,441	-	28,106,832

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

### NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

Description	Level 1	Level 2	Level 3	Total
<b>LOM Fixed Income Fund USD</b>	\$ USD	\$ USD	\$ USD	\$ USD
<b>Investment Assets:</b>				
Asset Backed Securities	-	3,288,688	-	3,288,688
Corporate Bonds	-	30,980,906	-	30,980,906
Government Bonds	-	3,724,907	-	3,724,907
Mortgage Backed Securities	-	662,846	-	662,846
Municipal Bonds	-	492,300	-	492,300
Mutual Funds	1,006,101	-	-	1,006,101
Preferred Stock	3,493,540	-	-	3,493,540
<b>Total Investment Assets</b>	<b>4,499,641</b>	<b>39,149,647</b>	<b>-</b>	<b>43,649,288</b>

Description	Level 1	Level 2	Level 3	Total
<b>LOM Fixed Income Fund EUR:</b>	€EUR	€EUR	€EUR	€EUR
<b>Investment Assets:</b>				
Corporate Bonds	-	862,835	-	862,835
Government Bonds	-	166,938	-	166,938
<b>Total Investment Assets</b>	<b>-</b>	<b>1,029,773</b>	<b>-</b>	<b>1,029,773</b>

Description	Level 1	Level 2	Level 3	Total
<b>LOM Equity Growth Fund:</b>	\$ USD	\$ USD	\$ USD	\$ USD
<b>Investment Assets:</b>				
Common Stock	10,330,686	-	-	10,330,686
Exchange Traded Funds	4,327,406	-	-	4,327,406
Preferred Stock	183,040	-	-	183,040
<b>Total Investment Assets</b>	<b>14,841,132</b>	<b>-</b>	<b>-</b>	<b>14,841,132</b>

Description	Level 1	Level 2	Level 3	Total
<b>LOM Balanced Fund:</b>	\$ USD	\$ USD	\$ USD	\$ USD
<b>Investment Assets:</b>				
Exchange Traded Funds	490,592	-	-	490,592
Hedge Funds	-	-	45,994	45,994
Mutual Funds	564,783	4,048,960	-	4,613,743
<b>Total Investment Assets</b>	<b>1,055,375</b>	<b>4,048,960</b>	<b>45,994</b>	<b>5,150,329</b>

Industry classifications for these securities are detailed in the respective Condensed Schedules of Investments.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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### NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

The changes in investment assets measured at fair value for which the Company has used Level 3 inputs to determine fair value are as follows:

<b>LOM Balanced Fund</b>	
Balance, January 1, 2013	\$ 47,049
Change in unrealized losses, net	<u>(1,055)</u>
<b>Balance December 31, 2013</b>	<u>\$ 45,994</u>
<b>Change in Unrealized losses on investments still held at December 31, 2013</b>	<u>\$ (1,055)</u>

Transfers into or out of Level 3 are made as of the beginning of the year. There were no transfers into or out of Level 3 during the year ended December 31, 2013.

The Company, in its normal course of investing and trading activities, enters into exchange traded equity option contracts. Details for the respective Segregated Account are noted below.

#### **LOM Stable Income Fund**

Changes in fair value are included as realized gains (losses) or net change in unrealized gains (losses) on investments and options written within the statements of operations. During the year, there were \$14,427 of realized gains on option contracts from 176 option contracts written and \$(1,583) in change in unrealized losses on options.

#### **LOM Equity Growth Fund**

Changes in fair value are included as realized gains (losses) or net change in unrealized gains (losses) on investments and options written within the statements of operations. During the year, there were \$(44,809) of realized losses on option contracts from 507 option contracts written and \$Nil in change in unrealized gains on options.

#### **LOM Fixed Income Fund USD**

Changes in fair value are included as realized gains (losses) or net change in unrealized gains (losses) on investments and options written within the statements of operations. During the year, there were \$(109,233) of realized losses on option contracts from 210 option contracts written and \$Nil in change in unrealized gains on options.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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### *VALUATION TECHNIQUES*

#### *EQUITY SECURITIES (COMMON STOCKS, MUTUAL FUNDS AND EXCHANGE TRADED FUNDS (“ETFs”))*

Equity securities traded on a national securities exchange (or reported on a national market) are stated at the last reported sales price on the day of valuation. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy. Open-end mutual funds are valued at the last published price reported on the major market on which the mutual funds are listed and are classified as Level 1.

#### *GOVERNMENT BONDS (U.S. AND FOREIGN)*

The fair value of government bonds is generally based on quoted prices in active markets. When quoted prices are not available, fair value is determined based on a valuation model that uses inputs that include interest rate yield curves, cross-currency basis index spreads, and country credit spreads similar to the bond in terms of issuer, maturity and seniority. Government bonds are generally categorized in Levels 1 or 2 of the fair value hierarchy depending on the inputs used and market activity levels for specific securities, based upon independent pricing from known independent pricing services.

#### *MUNICIPAL BONDS*

The fair value of municipal bonds is estimated using recently executed transactions, market price quotations and pricing models that factor in, where applicable, interest rates, bond or credit default swap spreads and volatility. Municipal bonds are generally categorized in Level 2 of the fair value hierarchy.

#### *CORPORATE BONDS (U.S. AND FOREIGN)*

The fair value of corporate bonds is estimated using recently executed transactions, market price quotations (where available), bond spreads or credit default swap spreads. The spread data used is for the same maturity as the bond. If the spread data does not reference the issuer, then data that references a comparable issuer is used. When observable price quotations are not available, fair value is determined based on cash flow models with yield curves, bond or single name credit default swap spreads and recovery rates based on collateral values as key inputs. To the extent that these inputs are observable the values of corporate bonds are generally categorized as Level 2.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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### NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

#### *GOVERNMENT AGENCY SECURITIES (U.S. AND FOREIGN)*

Government agency securities are normally valued using a model that incorporates market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers, and reference data. Certain securities are valued principally using dealer quotations. To the extent that these inputs are observable, the values of government agency securities are categorized at Level 2.

#### *MORTGAGE-BACKED SECURITIES*

Mortgage-backed securities are typically fair valued using pricing models based on a security's average life volatility. The models take into account tranche characteristics such as average life of the underlying mortgages, including assumptions regarding pre-payments and default rates, loan to value ratios, ratings, the issuer and tranche type, geographic characteristics, and discount margin for certain floating rate issues. Certain securities are valued principally using dealer quotations. To the extent that these inputs are observable, the values of mortgage-backed securities are categorized at Level 2.

#### *ASSET-BACKED SECURITIES ("ABS")*

Asset-backed securities are interests in pools of loans or other receivables. ABS are created from many types of assets, including auto loans, home equity loans and other receivables. ABS are typically fair valued using estimated expected future cash flows of each security by estimating the expected future cash flows of the underlying collateral and applying those collateral cash flows, together with any credit enhancements such as subordinating interests owned by third parties, to the security. The expected future cash flows of the underlying collateral are determined using the remaining contractual cash flows adjusted for future expected credit losses (including current delinquencies and nonperforming assets, future expected default rates and collateral value by vintage and geographic region) and prepayments.

The expected cash flows of the security are then discounted at the interest rate used to recognize interest income on the security to arrive at a present value amount. Certain securities are valued principally using dealer quotations. To the extent that these inputs are observable, the values of asset-backed securities are categorized at Level 2.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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### NOTE 4 - CAPITAL STOCK

The authorised share capital of the Company is \$10,001 divided into 100,000,000 Participating Shares of \$0.0001 par value each and 1,000 Organisational Shares of par value \$0.001 each. The rights attached to each class of shares are summarized below.

#### *PARTICIPATING SHARES*

The Directors have power to issue Participating Shares in separate Classes corresponding to a Segregated Account from time to time up to the limit of the authorised capital. The assets and liabilities of each Class of Participating Shares are maintained and accounted for in its own Segregated Account. A Class Supplement is issued in respect of each such Segregated Account.

The Participating Shares have no voting rights and the holder of a Participating Share is not entitled to receive notice of, attend, nor vote at general meetings of Shareholders (except in connection with the variation of class rights). The Participating Shares of each Class have the right to participate equally in any dividends declared by the Company in respect of the Segregated Account to which such Participating Shares relate and are redeemable. In the event of a winding-up of the Company, each holder of a Participating Share is entitled to return of the paid-up par value and a pro-rata share in surplus assets of the relevant Segregated Account after return of the paid-up par value of the Organisational Shares.

#### *ORGANISATIONAL SHARES*

Organisational Shares may be issued at par value and to such person as the Directors may determine. Organisational Shares do not, while any Participating Shares are in issue, carry any right to participate in dividends declared by the Company and are not redeemable. The holder of an Organisational Share has the right to receive notice of, attend and vote at general meetings of the Company. In the event of a winding-up of the Company, the holder of an Organisational Share is entitled only to the return of its paid-up par value after the paid-up par value of Participating Share has been returned. All of the Organisational Shares have been issued to and fully paid for by the Investment Manager.

#### *SUBSCRIPTIONS*

Participating Shares are available for subscription at the discretion of the Directors on each Subscription Day at the Subscription Price calculated at the close of business on the relevant Valuation Day. The Subscription Day is defined in the relevant Class Supplement. The Subscription Price equals the Net Asset Value per Participating Share as at the Valuation Day on the Subscription Day on which the application is effective (exclusive of any Front End Load).

The Participating Shares are issued in registered form. Share certificates are not issued.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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### NOTE 4 - CAPITAL STOCK (CONTINUED)

#### FRONT END LOAD

A Front End Load of up to 5% on Subscription Price may be deducted from the Subscription. No Front End Load Fees were charged for the year ended December 31, 2013.

#### MINIMUM SUBSCRIPTION

The minimum initial subscription that will be accepted, and the minimum amount for any additional subscriptions for Participating Shares from a new investor will be as follows:

<b>Fund</b>	<b>Minimum Initial Subscription</b>	<b>Minimum Additional Subscription</b>
LOM Money Market Fund USD	USD \$10,000	USD \$1
LOM Money Market Fund CAD	CAD \$10,000	CAD \$1
LOM Money Market Fund GBP	GBP £10,000	GBP £1
LOM Stable Income Fund	USD \$10,000	USD \$1
LOM Fixed Income Fund USD	USD \$10,000	USD \$1
LOM Fixed Income Fund EUR	EUR €10,000	EUR €1
LOM Equity Growth Fund	USD \$10,000	USD \$1
LOM Balanced Fund	USD \$10,000	USD \$1

The Directors may determine that the Company accept such lesser amount as they may in any particular case determine.

#### ***REDEMPTIONS***

##### PROCEDURE

Participating Shares may be redeemed at the option of the holder on each Redemption Day. Shareholders wishing to redeem all or part of their holding of Participating Shares should send a completed Redemption Request (available from the Administrator) to the Administrator by fax (with original to follow by mail) to be received not later than the time specified in the relevant Class Supplement on the relevant Redemption Day.

Any delay in receipt of the Redemption Request will result in the request being deferred until the next Redemption Day and, in such cases, the Participating Shares will be redeemed at the Redemption Price prevailing on that Redemption day. The Directors reserve the right in their absolute discretion to waive the foregoing notice period.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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### NOTE 4 - CAPITAL STOCK (CONTINUED)

A request for the redemption of part of a holding of Participating Shares may be refused, or the holding redeemed in its entirety, if, as a result of such partial redemption, the Net Asset Value of the Participating Shares retained by the holder would be less than the following amounts:

<b>Fund</b>	<b>Holding Limit</b>
LOM Money Market Fund USD	USD \$10,000
LOM Money Market Fund CAD	CAD \$10,000
LOM Money Market Fund GBP	GBP £10,000
LOM Stable Income Fund	USD \$10,000
LOM Fixed Income Fund USD	USD \$10,000
LOM Fixed Income Fund EUR	EUR €10,000
LOM Equity Growth Fund	USD \$10,000
LOM Balanced Fund	USD \$10,000

#### REDEMPTION PRICE

The Redemption Price for each Participating Share is equal to the Net Asset Value per Participating Share of the relevant Class on the relevant Redemption Day.

The Net Asset Value per Participating Share is determined as of the close of business on each Valuation Day in accordance with the provisions set out under the Information Memorandum.

#### PAYMENT OF REDEMPTION PROCEEDS

Redemption proceeds normally will be remitted within a certain number of business days as specified in the relevant Class Supplement, without interest for the period from that date to the payment date. Redemption payments will be made in the currency of the relevant class and will be remitted to the Shareholder by wire transfer (at the expense and risk of the Shareholder) to an account as specified by the Shareholder in his Redemption Request.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

### NOTE 4 - CAPITAL STOCK (CONTINUED)

#### GATING

In the event that redemption requests on a particular Redemption Day exceed in aggregate twenty per cent (20%) of the total number of Participating Shares of a particular Segregated Account then in issue, the Directors may reduce the requests rateably amongst all Shareholders seeking to redeem Participating Shares of the relevant Class on the relevant Redemption Day and effect only sufficient redemptions which in aggregate equal twenty per cent (20%) of the number of Participating Shares of the particular Class then in issue. Participating Shares which are not thereby redeemed will be redeemed on the next Redemption Day (subject to further deferral if the deferred requests themselves exceed twenty per cent of the number of Participating Shares then in issue) in priority to any later redemption requests that may have been received. All Participating Shares will be redeemed at the Redemption Price prevailing on the Redemption Day on which they are actually redeemed.

Transactions in shares of the Company for the year ended December 31, 2013 were as follows:

	Balance December 31, 2012	Shares Issued	Shares Transferred In*	Shares Transferred Out*	Shares Redeemed	Balance December 31, 2013
<b>Fund:</b>						
LOM Money Market Fund USD	2,203,963	189,035	2,387,259	2,203,963	1,421,610	1,154,684
LOM Money Market Fund CAD	906,678	470,858	-	-	263,890	1,113,646
LOM Money Market Fund GBP	48,819	2,286	-	-	5,829	45,276
LOM Stable Income Fund	2,787,702	1,328,596	-	-	1,453,789	2,662,509
LOM Fixed Income Fund USD	3,351,042	1,095,634	-	-	1,282,874	3,163,802
LOM Fixed Income Fund EUR	90,870	9,721	-	-	7,922	92,669
LOM Equity Growth Fund	1,181,349	214,044	-	-	93,651	1,301,742
LOM Balanced Fund	609,184	146,174	-	-	252,778	502,580

\* On January 2, 2013, shares from the Retail Series were exchanged for the Pool Series (now known as the LOM Money Market Fund USD). The NAVs/share at the time of the exchange were \$14.08 and \$15.26 for the Retail Series and Pool Series respectively. Holders of the Retail Series received the same number of units in the Pool Series that they held in the Retail Series. The NAV/share of the Pool Series correspondingly fell to \$14.08 such that the holdings, price, and total value of the holders of Retail Series was unaffected.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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### NOTE 5 - RELATED PARTY TRANSACTIONS

#### *MANAGEMENT AND PUBLISHING FEES*

The Investment Manager is entitled to receive an annual fee of the Company's net asset value for each class of shares, accrued weekly and payable quarterly.

The management fee rate, publishing fee rate, as well as the related amount charged and paid during the year for each Segregated Account is as follows:

<b>Fund</b>	<b>Annual Management Fee Rate as a Percentage of Net Asset Value per Share</b>	<b>Annual Publishing Fee Rate as a Percentage of Net Asset Value per Share</b>	<b>Amount Charged During Year</b>	<b>Amount Payable at Year-end</b>
LOM Money Market Fund USD	0.50%	0.01%	\$90,688	\$12,215
LOM Money Market Fund CAD	0.50%	0.01%	CAD \$76,548	CAD \$19,587
LOM Money Market Fund GBP	0.50%	0.01%	£1,093	£105
LOM Stable Income Fund	1.50%	0.04%	\$595,847	\$153,200
LOM Fixed Income Fund USD	1.00%	0.02%	\$500,432	\$130,564
LOM Fixed Income Fund EUR	1.00%	0.02%	€1,301	€2,919
LOM Equity Growth Fund	2.00%*	0.04%	\$234,791	\$80,971
LOM Balanced Fund	0.65%	0.04%	\$42,504	\$11,087

Publishing fees are included in miscellaneous expense on the Statements of Operations. Publishing fees payable are included in accounts payable and accrued liabilities on the Statements of Assets and Liabilities.

\*The management fees on the LOM Equity Growth Fund increased from 1.50% to 2.00% effective July 1, 2013.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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### NOTE 5 - RELATED PARTY TRANSACTIONS (CONTINUED)

#### *CUSTODIAN FEES*

Under the Custody Agreement, the Custodian is entitled to receive a fee of 0.05% per annum of the net asset value of each class of shares for each segregated account, calculated on each valuation day and payable monthly. During 2013, the Custodian charged and was paid by the Company fees totaling as follows:

<b>Fund</b>	<b>Amount Charged During Year</b>	<b>Amount Payable at Year-end</b>
LOM Money Market Fund USD	\$11,221	\$2,035
LOM Money Market Fund CAD	CAD \$7,514	CAD \$1,950
LOM Money Market Fund GBP	£258	£63
LOM Stable Income Fund	\$19,326	\$4,852
LOM Fixed Income Fund USD	\$24,529	\$6,421
LOM Fixed Income Fund EUR	€554	€145
LOM Equity Growth Fund	\$6,486	\$1,892
LOM Balanced Fund	\$3,080	\$783

Custodian fees are included in miscellaneous expenses on the Statements of Operations. Custodian fees payable are included in accounts payable and accrued liabilities on the Statements of Assets and Liabilities.

### NOTE 6 - ADMINISTRATION FEES

In accordance with the terms of the contract with Apex Fund Services Ltd. (the “Administrator”), the Company is charged administrative fees equal to 0.10% of the combined net asset value of the segregated accounts (“Funds”) created under the Company, allocated to each Fund pro-rata based on the net asset value of each Fund in relation to the combined net asset value. During 2013, administration fees amounted to \$148,275.

### NOTE 7 - TAXATION

Under current Bermuda law, the Company is not required to pay taxes in Bermuda on either income or capital gains. The Company has received an undertaking from the Bermuda government that, in the event of income or capital gains taxes being imposed, the Company will be exempted from such taxes until March 31, 2035.

It is the Directors belief that the Company is not engaged in United States trade or business and is not subject to United States income or withholding taxes in respect of the profits and losses of the Company other than the 30% withholding tax on US source equity dividends. Foreign securities held by the Company may be subject to foreign taxation on gains, dividends and interest income received. Foreign taxes, if any, are withheld by the Company’s clearing brokers based on the tax laws in the applicable foreign jurisdictions.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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### NOTE 7 – TAXATION (CONTINUED)

In addition, the Directors believe that the Company is not subject to income taxes in any other jurisdiction and that there are no uncertain tax positions that would require recognition in the financial statements. As a result, Company has made no provision for income taxes in the accompanying financial statements.

The Investment Manager's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based upon ongoing analyses of tax laws, regulations and interpretations thereof as well as other factors.

### NOTE 8 - DERIVATIVE FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company does not buy or hold derivative financial instruments outside of listed options on equity securities, Treasury futures and options on Treasury futures. Some of the other investment companies in which the Company invests are dealing or trading in these instruments as their principal investment activity or use these instruments as part of their investment strategy. This may result in market or credit risk to the other investment companies in excess of the amount invested in these instruments. However, the Company's risk is limited to the net asset values of its investments in the other investment companies.

### NOTE 9 - FAIR VALUE OF FINANCIAL INSTRUMENTS

In addition to the fair values of investments as disclosed in the condensed schedules of investments, the fair values of the Company's other financial instruments, including cash and cash equivalents, accounts payable and accrued expenses approximate their carrying values due to the short term maturity of these financial instruments.

### NOTE 10 - GUARANTEES

In the normal course of its operations, the Company enters into contracts or agreements that contain indemnifications and warranties. The Company's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Company that have not yet occurred. However, the Company has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

### NOTE 11 - FINANCIAL HIGHLIGHTS

Financial highlights for the year ended December 31, 2013 are as follows:

	LOM Money Market Fund USD	LOM Money Market Fund CAD	LOM Money Market Fund GBP	LOM Stable Income Fund USD	LOM Fixed Income Fund USD	LOM Fixed Income Fund EUR	LOM Equity Growth Fund USD	LOM Balanced Fund USD
	\$USD	\$CAD	£GBP	\$USD	\$USD	€EUR	\$USD	\$ USD
<b>Per Share Operating Performance:</b>								
<b>Net asset value per share - beginning</b>	<u>*\$ 14.08</u>	<u>C\$13.79</u>	<u>£10.90</u>	<u>\$10.61</u>	<u>\$14.49</u>	<u>€1.45</u>	<u>\$9.47</u>	<u>\$9.54</u>
Net investment income**	0.20	0.09	0.01	0.31	0.25	0.13	0.00	0.00
Net realized and unrealized gain on investments	<u>(0.20)</u>	<u>(0.02)</u>	<u>(0.01)</u>	<u>0.25</u>	<u>(0.32)</u>	<u>(0.10)</u>	<u>2.02</u>	<u>0.71</u>
Total income from investment Operations	0.00	0.07	0.00	0.56	(0.07)	0.03	2.02	0.71
Less: Distributions	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>(0.36)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Net Asset Value Per Share - Ending</b>	<u>\$14.08</u>	<u>C\$13.86</u>	<u>£10.90</u>	<u>\$10.81</u>	<u>\$14.42</u>	<u>€1.48</u>	<u>\$11.49</u>	<u>\$10.25</u>
<b>Total Return</b>	<u>0.00%</u>	<u>0.51%</u>	<u>0.00%</u>	<u>5.28%</u>	<u>(0.48%)</u>	<u>0.26%</u>	<u>21.33%</u>	<u>7.44%</u>
<b>Ratio to Average Net Assets:</b>								
Total expenses***	<u>0.69%</u>	<u>0.76%</u>	<u>0.71%</u>	<u>1.79%</u>	<u>1.28%</u>	<u>1.31%</u>	<u>2.06%</u>	<u>0.95%</u>
Net investment income***	<u>1.42%</u>	<u>0.62%</u>	<u>0.11%</u>	<u>2.89%</u>	<u>1.82%</u>	<u>1.18%</u>	<u>0.02%</u>	<u>0.00%</u>

Financial highlights are calculated for the class of shares taken as a whole. An individual shareholder's return and ratios may vary based on the timing of capital transactions.

Total return is computed using a time-weighted methodology whereby the returns for the individual accounting periods are geometrically linked. The ratios are computed using a weighted-average of the net assets for the year ended December 31, 2013. Interest and dividend income from underlying funds, if any, is included in the net realized and unrealized gain on investment in the accompanying statements of operations and is not included in the net investment loss.

\* Refer to Note 4

\*\* Net of waived management fees as noted on the Statements of Operations.

\*\*\* Net of waived management fees of 0.10% and 0.27% for LOM Money Market Fund USD and LOM Money Market Fund GBP respectively.

# LOM FUNDS SAC LTD.

## NOTES TO THE FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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### NOTE 12 - FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

#### *CREDIT AND LIQUIDITY RISK*

The Company is potentially subject to both credit and liquidity risk, principally through its investments in securities. The Company's credit risk is equal to the replacement cost at the then estimated fair value of the instrument. Credit risk arises because the possibility that promised cash flows on securities held will not be paid in full. Credit risk is risk due to uncertainty in a counterparty's (also called an obligor's or creditor's) ability to meet its obligations.

#### *MARKET RISK*

Market risk arises primarily from uncertainty around the future prices of financial instruments held by the Company and represents the loss the Company might incur through holding such instruments in the face of price movements. The Investment Manager allocates the Company's portfolio of investments with a view to minimizing the risk associated with particular countries and industry sectors.

#### *CURRENCY RISK*

The investments of each Fund are denominated in the related base-currency thus minimizing currency risk. The investments of each Fund are exposed to changes in foreign exchange rates (currency risk) where gains or losses may exceed the related amounts recorded. The fair value may change based on the fluctuations in the exchange rate of these underlying currencies.

### NOTE 13 - SUBSEQUENT EVENTS

Subsequent events through until June 20, 2014 have been evaluated by the Investment Manager. Subsequent to December 31, 2013 until June 20, 2014, the Company received the additional subscriptions and paid additional redemptions as follows:

<b>Fund</b>	<b>Subscriptions</b>	<b>Redemptions</b>
LOM Money Market Fund USD	\$USD 1,510,094	\$USD 2,734,412
LOM Money Market Fund CAD	\$CAD 619,902	\$CAD 1,857,270
LOM Money Market Fund GBP	£GBP 1,363	£GBP 104,935
LOM Stable Income Fund	\$USD 2,019,691	\$USD 1,119,814
LOM Fixed Income Fund USD	\$USD 1,685,179	\$USD 3,270,283
LOM Fixed Income Fund EUR	€EUR 31,356	€EUR 180,882
LOM Equity Growth Fund	\$USD 2,953,010	\$USD 795,559
LOM Balanced Fund	\$USD 100,050	\$USD 1,014,286