

Woodford Funds (Ireland) ICAV
Annual Report and Financial Statements
For the financial period from 18 July 2016 (date of registration)
to 31 December 2016

MANAGEMENT AND ADMINISTRATION

MANAGER

Capita Financial Managers (Ireland) Limited
2 Grand Canal Square
Grand Canal Harbour
Dublin 2
D02 A342
Ireland

DIRECTORS OF THE ICAV

G. Palmer (Chairman) (Irish)**
K. O'Brien (Irish)**
S. Dale (British)*
S. Osborne (British)*

** Non-executive Directors*

*** Independent Non-executive Director*

INVESTMENT MANAGER AND PROMOTER

Woodford Investment Management LTD (Woodford Investment Management LLP until 29 September 2016)
9400 Garsington Road
Oxford OX4 2HN
United Kingdom
(Authorised and regulated by the Financial Conduct Authority)

DEPOSITARY

Northern Trust Fiduciary Services (Ireland) Limited
Georges Court
54-62 Townsend Street
Dublin 2
D02 R156
Ireland

ADMINISTRATOR & REGISTRAR

Northern Trust International Fund Administration Services (Ireland) Limited
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Dublin 2
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MANAGEMENT AND ADMINISTRATION (continued)

INDEPENDENT AUDITOR

Grant Thornton
24-25 City Quay
Dublin 2
D02 NY19
Ireland

ICAV SECRETARY

Capita Financial Administrators (Ireland) Limited
2 Grand Canal Square
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LEGAL AND TAX ADVISERS IN IRELAND

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BACKGROUND TO THE ICAV

DESCRIPTION

Woodford Funds (Ireland) ICAV (the "ICAV") is an open-ended umbrella type Irish Collective Asset-Management Vehicle with limited liability and segregated liability between Funds, registered with and authorised by the Central Bank of Ireland ("Central Bank") to carry on business as an ICAV pursuant to part 2 of the Irish Collective Asset-management Vehicles Act, 2015 (the "ICAV Act") and pursuant to the provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the "UCITS Regulations") and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015.

It was registered in Ireland on 18 July 2016 and was authorised by the Central Bank on 23 September 2016 as an umbrella fund with segregated liability between Funds.

The ICAV is structured as an umbrella type Irish Collective Asset-management Vehicle which may consist of different Funds, each comprising one or more Classes.

As at the 31 December 2016, the ICAV has one initial Fund namely the Woodford Equity Income Feeder Fund (the "Fund").

INVESTMENT OBJECTIVE AND POLICY

The specific investment objective and policy of each Fund are set out in the relevant Supplement to the Prospectus and will be formulated by the Directors at the time of creation of the relevant Fund.

WOODFORD EQUITY INCOME FEEDER FUND

The investment objective of the Fund is to invest at least 85% of its net assets in the CF Woodford Equity Income Fund ("Master Fund"). The Master Fund is a sub fund of the CF Woodford Investment Fund which is an open-ended umbrella type investment company with variable capital incorporated with limited liability and registered in England and Wales under registered number IC001010 and which is authorised by the UK's Financial Conduct Authority as a UCITS.

The investment objective of the Fund may only be amended with the approval of Shareholders of the Fund on the basis of a majority of votes cast at a general meeting duly convened. In the event of a change of investment objective of the Fund, a reasonable notification period must be provided to enable Shareholders to redeem their Shares prior to the implementation of such change.

BACKGROUND TO THE ICAV (CONTINUED)

INVESTMENT OBJECTIVE AND POLICY (CONTINUED)

Save as otherwise provided hereinafter, it is not intended that the Fund will make any direct investments and it is the intention that 100% of all monies received by the Fund will be invested in the Master Fund other than retaining a limited reserve of cash sufficient to cover the various fees and expenses payable by the Fund.

As at 31 December 2016, the Fund has invested 99.70% of its net assets in the CF Woodford Equity Income Fund - Class F GBP Accumulating share class.

The Fund may invest up to 15% of net assets in aggregate in ancillary liquid assets including cash deposits, cash equivalents (i.e. cash accounts held at bank), certificates of deposits and money market instruments (being instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time and including but being limited to floating rate notes and fixed or variable rate commercial paper) which may be held by the Fund, to meet expenses and pending reinvestment in accordance with the Central Bank's requirements.

The Fund may utilise forward foreign currency exchange contracts for Share Class hedging purposes.

The global exposure of the Fund through the use of such financial derivative instruments will be measured using the "commitment approach" in accordance with the UCITS Regulations. The commitment approach is a measure of the aggregate marked to market value of the financial instruments underlying the Fund's derivative positions. Other than any leverage arising from the use of forward foreign exchange currency exchange contracts there will be no leverage in the Fund. The extent of any leverage will not exceed 100% of the Net Asset Value of the Fund.

INVESTMENT MANAGER'S REPORT

WOODFORD EQUITY INCOME FEEDER FUND

The Woodford Equity Income Feeder Fund was launched on 13 October 2016. Since then, eight share classes have been introduced, providing offshore access to the CF Woodford Equity Income Fund (the 'Master Fund'), with different fee, currency and income characteristics. The performance delivered by each share class will therefore depend on its specific characteristics and the date on which it was launched. However, all share classes invest substantially all of their assets into the Master Fund, so their performance will always be linked to its performance. What follows below is a review of the Master Fund for 2016 as whole.

CF WOODFORD EQUITY INCOME FUND ANNUAL REPORT

The CF Woodford Equity Income Fund delivered a positive return of 3.2% in 2016 but fell short of our aspiration to deliver high single-digit annualised returns to investors. The fund's performance also trailed that of the broader FTSE All Share index during 2016. One calendar year is a relatively short period of time in our multi-year investment strategy, however, and we have always been clear that the portfolio is very actively managed. At times, it will not look or behave like the broader UK stock market – since launch, the fund has seen the benefit of such an active approach but 2016 saw some of that prior outperformance unwind.

Much of what we saw in 2016 does not appear to be fully-grounded in fundamentals. In the long run, fundamentals are all that matter for share prices, but over shorter periods, they can be overtaken by other drivers, such as sentiment and momentum. That appears to have been the case last year – market leadership was increasingly concentrated in a handful of stocks, most of them commodity-related.

One could argue that the performance of the oil & gas and mining sectors has been justified by fundamentals, given the increase that we have seen in commodity prices over the last twelve months. We are not convinced by that argument, however. Perhaps these sectors (and the commodity prices upon which they depend) fell further than they needed to in 2015 but the recovery since then, in our view, goes way beyond what fundamentals would justify, particularly when one considers that many key commodities remain structurally oversupplied and the global demand outlook is still very poor.

The portfolio did not, however, keep pace with the broader market, even if the impact of these index heavyweights is excluded. Performance has also been impacted by adverse share price moves from some parts of the portfolio – some of this is linked to negative fundamental developments but, importantly, much of it is not.

The largest detractor from performance was Capita - it was a big position in the portfolio as we entered 2016 and its share price more than halved over the course of the year. A series of disappointing trading updates in the latter part of the year have completely undermined market confidence in the business, and indeed, the credibility of management forecasts. At times like this, it is essential that one does not compound the impact of a fundamental disappointment through an emotional reaction to a share price fall. We believe the market has over-reacted to the series of profit warnings and, in our view, the share price now profoundly undervalues the fundamental long-term attractions of this business.

INVESTMENT MANAGER'S REPORT (CONTINUED)

CF WOODFORD EQUITY INCOME FUND ANNUAL REPORT (CONTINUED)

We recognise that it will take time to rebuild credibility and value at Capita, but we are prepared to be patient.

Our significant weighting to the healthcare sector produced mixed results during the year. In particular, Circassia performed poorly after a late-stage trial into its potential treatment for cat allergy showed a surprising placebo effect. This was a clear fundamental disappointment but there is much more to the company these days than just its allergy portfolio – the combined value of its net cash and its recent acquisitions suggests that its shares overreacted to the development.

Elsewhere in the sector, the portfolio's large pharmaceutical holdings GlaxoSmithKline and AbbVie performed well, helped by solid operational progress. Theravance Biopharma also delivered a positive contribution to performance, on the back of the excellent progress made by the 'Closed Triple' (a combination of three respiratory drugs into one) therapy which is being developed by GlaxoSmithKline and Innoviva to treat respiratory conditions such as chronic obstructive pulmonary disease (COPD).

There were some bright spots elsewhere too. The portfolio's tobacco stocks, British American Tobacco, Reynolds American and Imperial Brands were amongst the largest positive contributors to performance. Meanwhile, shares in Burford Capital – a young litigation finance business and a great example of the benefits of our patient capital investment approach – more than trebled in 2016, as the market finally started to acknowledge the value that has been created by its impressively astute management team in recent years.

In terms of portfolio activity, we introduced several new holdings during 2016. These included Thin Film Electronics, a Norwegian technology company focused primarily on printed electronics, and Equiniti, a support services business which provides share registration and associated investor services. We also took part in the IPOs of patient capital investor Draper Esprit and media company Time Out and added to a number of our holdings including Babcock International, Capita, Legal & General and Provident Financial.

We sold the fund's position in BAE Systems during the year. We continue to be attracted to the shares, but they have performed well and, at the margin, we have grown a bit more concerned about the size of its pension deficit. Given the ongoing fight for capital in the portfolio and the attractive opportunities elsewhere, we decided to exit the position completely. Similar reasoning led to selling the positions in BT and Royal Mail.

Reynolds American's positive share price reaction to the bid by British American Tobacco gave us the opportunity to sell the portfolio's position at a very attractive price. We also sold the portfolio's positions in Hiscox and Roche during the year.

INVESTMENT MANAGER'S REPORT (CONTINUED)

CF WOODFORD EQUITY INCOME FUND ANNUAL REPORT (CONTINUED)

Turning to outlook, despite the challenging market conditions we have witnessed and some surprising political events, nothing we saw last year persuades us that the portfolio should be positioned differently. The narrow momentum-driven rally that drove equity markets in 2016 has added risk to certain sectors. In particular we continue to avoid the oil & gas and mining sectors where, despite the rally in commodity prices, dividends are still vulnerable and the fundamental backdrop for prices remains weak. This positioning was unhelpful last year but we're convinced it is still appropriate to avoid them.

Instead, the portfolio remains positioned towards attractively-valued businesses with significantly more control over their destiny. This control, generally speaking, has delivered some considerable positive progress in 2016 and this progress will ultimately be reflected in share prices, when fundamentals reassert themselves as the predominant influence of share price behaviour. As such, we look forward to 2017 and the years beyond with great confidence.

SHARE CAPITAL

Share Class	Px Dec 31	Launch Px	% performance since launch
Class A Acc USD - Unhedged	101.14	100	1.14%
Class A Inc GBP - Unhedged	99.03	100	-0.97%
Class C Acc EUR - Unhedged	106.89	100	6.89%
Class C Inc EUR - Unhedged	99.18	100	-0.82%
Class C Acc GBP - Unhedged	99.25	100	-0.75%
Class C Inc GBP - Unhedged	98.71	100	-1.29%
Class C Inc USD - Hedged	99.16	100	-0.84%
Class C Inc USD - Unhedged	102.08	100	2.08%

Woodford Investment Management LLP
30 January 2017

DIRECTORS' REPORT

The Directors present their Annual Report and Audited Financial Statements of the Woodford Funds (Ireland) ICAV (the "ICAV") for the financial period from 18 July 2016 (date of registration) to 31 December 2016.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Directors' Report and financial statements, in accordance with applicable law and regulations.

The Irish Collective Asset-management Vehicles Act, 2015 (the "ICAV Act") requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and applicable law.

The financial statements are required to give a true and fair view of the assets, liabilities and financial position of the ICAV at the end of the financial period and of the profit or loss of the ICAV for the financial period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the ICAV will continue in business.

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 ICAV and enable them to ensure that the financial statements comply with the ICAV Act 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 ICAV. In this regard they have entrusted the assets of the ICAV to a depositary 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 ICAV Act.

The Directors are responsible for the maintenance and integrity of the financial statements of the ICAV included on the Investment Manager's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

PRINCIPAL ACTIVITIES

The ICAV has been approved by the Central Bank of Ireland as an Irish Collective Asset-management Vehicle established under the laws of Ireland pursuant to the ICAV Act.

The Investment Manager's Report contains a review of the factors which contributed to the performance for the financial period under review. Please see the Investment Manager's Report for further details. The Directors do not anticipate any changes in the structure or investment objective.

DIRECTORS' REPORT (CONTINUED)

PRINCIPAL RISKS AND UNCERTAINTIES

The Woodford Equity Income Feeder Fund ("the Fund") invests substantially all of its assets in the Master Fund. For a detailed description of the financial instruments and associated risks of an investment in the Master Fund, please refer to Note 14 of the audited financial statements of CF Woodford Equity Income Fund.

SIGNIFICANT EVENTS DURING THE PERIOD

The ICAV was registered on the 18 July 2016 and authorised by the Central Bank on 23 September 2016.

On 30 September 2016, the Investment Manager changed its legal status from a limited liability partnership to a limited company.

The Woodford Equity Income Feeder Fund launched on 13 October 2016.

The following share classes in the Fund were launched during the period:

Class C Income USD – Hedged launched on 14 October 2016.

Class C Accumulating GBP – Unhedged launched on 19 October 2016.

Class A Income GBP – Unhedged launched on 21 October 2016.

Class C Income GBP – Unhedged launched on 26 October 2016.

Class C Accumulating EUR – Unhedged launched on 3 November 2016.

Class C Income USD – Unhedged launched on 10 November 2016.

Class A Accumulating USD – Unhedged launched on 29 November 2016.

Class C Income EUR – Unhedged launched on 16 December 2016.

There were no other significant events during the financial period ended 31 December 2016.

SUBSEQUENT EVENTS

The Woodford Equity Income Feeder Fund Class A Accumulating EUR – Hedged launched on 13 January 2017.

There have been no other events after the Statement of Financial Position date, which, in the opinion of the Directors of the ICAV may have an impact on the financial statements for the financial period ended 31 December 2016.

DIVIDENDS

Accumulating Share Classes

In the case of accumulating Classes, all net income and net realised and unrealised gains (i.e. realised and unrealised capital gains net of all realised and unrealised losses) less accrued expenses of the Fund attributable to the relevant Class will be accumulated and reflected in the Net Asset Value per Share.

DIRECTORS' REPORT (CONTINUED)

DIVIDENDS (continued)

Income Share Classes

The Directors intend to make a quarterly distribution to Shareholders in the Income Share Classes, comprised of a quarterly dividend calculated as at the last Business Day of March, June, September and December respectively.

Profits for these purposes shall consist of undistributed net income and realised and unrealised gains (less realised and unrealised losses) attributable to the Income Share Classes. In addition, in the event that there is insufficient net income and realised and unrealised gains (less realised and unrealised losses), the Fund may pay distributions out of capital. The rationale for providing for the payment of distributions out of capital is to allow the Fund the ability to provide a stable and consistent level of distribution. The effect of this is that capital will be eroded to allow higher dividends to be paid, thereby reducing the potential for future capital growth.

The level of dividends payable will be determined by the Directors in conjunction with the Investment Manager.

DIRECTORS AND SECRETARY

The Directors and ICAV Secretary who held office during the financial period under review are disclosed under Management and Administration.

DIRECTORS' INTERESTS IN SHARES AND CONTRACTS

None of the Directors who held office at the financial period end has or had any direct interest in the promotion of the ICAV or in any transaction effected by the ICAV which is unusual in its nature or conditions or is significant to the business of the ICAV.

TRANSACTIONS INVOLVING DIRECTORS

Mr Osborne and Mr Dale shall be deemed to be interested in any contract entered into by the ICAV with the Woodford Investment Management LTD (the "Investment Manager") by virtue of each being employees of the Investment Manager.

There are no other contracts or arrangements of any significance in relation to the business of the ICAV in which the Directors or Company Secretary had any interest as defined in the ICAV Act, at any time during the financial period.

DIRECTORS' REPORT (CONTINUED)

TRANSACTIONS WITH CONNECTED PERSONS

The Central Bank UCITS Regulations require that any transaction carried out with a UCITS by a management company or depository to the UCITS, the delegates or sub-delegates of the management company or depository, and any associated or group of such a management company, depository, delegate or sub-delegate ("connected persons") must be carried out as if negotiated at arm's length. Transactions must be in the best interests of the Shareholders.

The Directors are satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out in Regulation 41(1) of the Central Bank UCITS Regulations are applied to all transactions with connected persons, and are satisfied that transactions with connected persons entered into during the financial period complied with the obligations set out in Regulation 41(1) of the Central Bank UCITS Regulations.

The connected persons are the Investment Manager, and the Depository. The relevant fees charged by these connected persons are detailed in Note 5.

ACCOUNTING RECORDS

The Directors are responsible for ensuring that accounting records as outlined in Section 110 of the ICAV Act, 2015, are kept by Woodford Funds (Ireland) ICAV. To achieve this, the Directors have employed Northern Trust International Fund Administration Services (Ireland) Limited as the ICAV's Administrator. The accounting records are maintained at the offices of the Administrator at Georges Court, 54 – 62 Townsend Street, Dublin 2, D02 R156, Ireland.

AUDITORS

In accordance with Section 125 (2) of the ICAV Act 2015, Grant Thornton, Chartered Accountants and Registered Auditors, who were appointed during the financial period, have expressed their willingness to continue in office as the ICAV's auditor.

CORPORATE GOVERNANCE

Irish Funds, the association for the funds industry in Ireland, has published a corporate governance code that may be adopted on a voluntary basis by Irish authorised collective investment schemes. The Board of Directors has adopted the Code, and the ICAV was in compliance with all elements of the Code during the financial period.

On Behalf of the Board of Directors

Director

Director

27 April 2017

ANNUAL DEPOSITARY REPORT TO SHAREHOLDERS

We, Northern Trust Fiduciary Services (Ireland) Limited, appointed Depositary to Woodford Funds (Ireland) ICAV (the "ICAV") provide this report solely in favour of the Shareholders of the ICAV for the financial period from 23 September 2016 to 31 December 2016 ("the Accounting Period"). This report is provided in accordance with the UCITS Regulations European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (SI No 352 of 2011), as amended, which implemented Directive 2009/65/EU into Irish Law ("the Regulations"). We do not, in the provision of this report, accept nor assume responsibility for any other purpose or person to whom this report is shown.

In accordance with our Depositary obligation as provided for under the Regulations, we have enquired into the conduct of the ICAV for the Accounting Period and we hereby report thereon to the Shareholders of the Fund as follows;

We are of the opinion that the ICAV has been managed during the Accounting Period, in all material respects:

- i) in accordance with the limitations imposed on the investment and borrowing powers of the ICAV by the constitutional documents and by the Regulations; and
- ii) otherwise in accordance with the provisions of the constitutional documents and the Regulations.

For and on behalf of

Northern Trust Fiduciary Services (Ireland) Limited
Georges Court
54-62 Townsend Street
Dublin 2
D02 R156
Ireland

27 April 2017

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF WOODFORD FUNDS (IRELAND) ICAV

We have audited the financial statements of Woodford Funds (Ireland) ICAV (or the "ICAV") for the period from 18 July 2016 (date of registration) to 31 December 2016, which comprise the Statement of Financial Position, Statement of Comprehensive Income, the Statement of changes in Net Assets Attributable To Holders of Redeemable Participating Shares, the Statement of Cashflows and a summary of significant accounting policies and other explanatory notes. The financial reporting framework that has been applied in their preparation is International Financial Reporting Standards (IFRSs) as adopted by the European Union and comply with Irish Statute comprising the Irish Collective Asset-management Vehicles Act 2015.

This report, including the opinions, has been prepared for and only for the ICAV's shareholders, as a body, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the ICAV and the ICAV's shareholders as a body, for our audit work, for this report, or for opinions we have formed.

Respective Responsibilities of directors and Independent Auditor

As explained more fully in the Statement of the Directors Responsibilities set out on page 7, the Directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (United Kingdom and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit 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 ICAV'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.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF WOODFORD FUNDS (IRELAND) ICAV (CONTINUED)

Opinion on financial statements

In our opinion, the financial statements:

- give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union of the assets, liabilities and financial position of the ICAV as at 31 December 2016, and of its results for the period from 18 July 2016 (date of registration) to 31 December 2016.

Other matters

- we have obtained all the information and explanations we consider necessary for the purposes of our audit.
- in our opinion, adequate accounting records have been kept by the Directors.
- the financial statements are in agreement with the accounting records.
- In our opinion, the information given in the Director's report is consistent with the financial statements.

Niamh Meehan
For and on behalf of
Grant Thornton
Chartered Accountants
Registered Auditors
24-26 City Quay
Dublin 2
D02 NY19
Ireland

27 April 2017

WOODFORD EQUITY INCOME FEEDER FUND

A Sub-Fund of Woodford Funds (Ireland) ICAV

SCHEDULE OF INVESTMENTS

AS AT 31 DECEMBER 2016

Financial assets at fair value through profit or loss						
Country	Investment funds	Currency	Nominal holdings	Fair value GBP	% of NAV	
United Kingdom	CF Woodford Equity Income Fund*	GBP	71,143,739	70,624,390	99.72	
				<u>70,624,390</u>	<u>99.72</u>	
	Total investment funds			70,624,390	99.72	
Open forward foreign currency contracts - unrealised gain						
Currency sold	Currency bought	Currency rate	Counterparty	Maturity date	Unrealised gain GBP	% of NAV
GBP 64,596,434	USD 79,870,583	1.2329	Northern Trust	31/03/2017	183,900	0.26
					<u>183,900</u>	<u>0.26</u>
	Total open forward foreign currency contracts - unrealised gain				183,900	0.26
	Total financial assets at fair value through profit and				70,808,290	99.98
					Fair value GBP	% of NAV
	Total value of investments				70,808,290	99.98
	Cash and cash equivalents				77,407	0.11
	Other net liabilities				(65,741)	(0.09)
	Total net assets attributable to holders of redeemable participating shares				<u>70,819,956</u>	<u>100.00</u>
Analysis of portfolio of CF Woodford Equity Income Fund**						
Transferable securities and money market instruments admitted to an official stock exchange listing or traded on a regular market					98.77	
OTC financial derivative instruments					0.13	
Other assets					1.10	
					<u>100.00</u>	

* Woodford Equity Income Feeder Fund invests in the Class F sterling accumulating shares of the CF Woodford Equity Income Fund ("Master Fund").

** Calculation based on the total assets of the Fund (excluding liabilities). This summary is a UCITS requirement.

WOODFORD EQUITY INCOME FEEDER FUND
A Sub-Fund of Woodford Funds (Ireland) ICAV

SCHEDULE OF PORTFOLIO CHANGES (UNAUDITED)
 FOR THE FINANCIAL PERIOD FROM 18 JULY 2016 (DATE OF REGISTRATION) TO 31 DECEMBER
 2016

Sales		Proceeds
Holding	Description	GBP
728,525	CF Woodford Equity Income Fund	714,877
Purchases		Cost
Holding	Description	GBP
71,872,265	CF Woodford Equity Income Fund	71,489,838

WOODFORD EQUITY INCOME FEEDER FUND
A Sub-Fund of Woodford Funds (Ireland) ICAV

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 18 JULY 2016 (DATE OF REGISTRATION) TO 31 DECEMBER
2016

		Woodford Equity Income Feeder Fund Period ended* 31 December 2016 GBP
	Note	
Investment income		
Bank interest income	2 c)	1
Net loss on financial assets and liabilities at fair value through profit or loss	2 b), 4	<u>(632,746)</u>
Total investment loss		<u>(632,745)</u>
 Expenses		
Management Fees	5	(29,106)
Administration Fees	5	(1,290)
Depositary Fees	5	(1,289)
Directors' Fees	5	(15,589)
Audit Fees		(9,204)
General Expenses	6	<u>(48,738)</u>
Total expenses		<u>(105,216)</u>
 Net loss before finance costs		(737,961)
 Finance costs		
Bank interest expense	2 c)	<u>(19)</u>
Total finance costs		<u>(19)</u>
 Change in net assets for the period from operations attributable to holders of redeemable participating shares		<u><u>(737,980)</u></u>

*For the financial period from 18 July 2016 (date of registration) to 31 December 2016.

The accompanying notes form an integral part of these Financial Statements.

WOODFORD EQUITY INCOME FEEDER FUND
A Sub-Fund of Woodford Funds (Ireland) ICAV

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

		Woodford Equity Income Feeder Fund
		As at
		31 December 2016
	Note	GBP
Assets		
Financial assets at fair value through profit or loss		
- Investment in the Master Fund	2, 14	70,624,390
- Financial derivative instruments	2	183,900
- Cash and cash equivalents	8	77,407
- Securities sold receivable	2	12,549
- Capital shares sold receivable	2	53,750
Total assets		<u>70,951,996</u>
Liabilities		
Financial liabilities at fair value through profit or loss		
- Management fees payable	5	(13,698)
- Administration fee payable	5	(555)
- Depositary fees payable	5	(386)
- Directors' fees payable	5	(15,589)
- Audit fee payable		(9,204)
- Securities purchased payable	2	(52,094)
- Other payables	7	<u>(40,514)</u>
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		<u>(132,040)</u>
Net assets attributable to holders of redeemable participating shares		<u><u>70,819,956</u></u>

The accompanying notes form an integral part of these Financial Statements.

WOODFORD EQUITY INCOME FEEDER FUND
A Sub-Fund of Woodford Funds (Ireland) ICAV

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2016

Shares in issue (Note 10)	
Class A Acc USD - Unhedged*	495,429
Class A Inc GBP - Unhedged*	549,767
Class C Acc EUR - Unhedged*	40,000
Class C Inc EUR - Unhedged*	38,000
Class C Acc GBP - Unhedged*	1,228,568
Class C Inc GBP - Unhedged*	2,946,601
Class C Inc USD - Hedged*	81,387,563
Class C Inc USD - Unhedged*	82,442
NAV per share (Note 11)	
Class A Acc USD - Unhedged*	USD 1.0114
Class A Inc GBP - Unhedged*	GBP 0.9903
Class C Acc EUR - Unhedged*	EUR 1.0689
Class C Inc EUR - Unhedged*	EUR 0.9918
Class C Acc GBP - Unhedged*	GBP 0.9925
Class C Inc GBP - Unhedged*	GBP 0.9871
Class C Inc USD - Hedged*	USD 0.9916
Class C Inc USD - Unhedged*	USD 1.0208

- * Class C Income USD – Hedged launched on 14 October 2016.
 Class C Accumulating GBP – Unhedged launched on 19 October 2016.
 Class A Income GBP – Unhedged launched on 21 October 2016.
 Class C Income GBP – Unhedged launched on 26 October 2016.
 Class C Accumulating EUR – Unhedged launched on 3 November 2016.
 Class C Income USD – Unhedged launched on 10 November 2016.
 Class A Accumulating USD – Unhedged launched on 29 November 2016.
 Class C Income EUR – Unhedged launched on 16 December 2016.

The financial statements were approved by the Board of Directors on 27 April 2017 and signed on their behalf by:

Director

27 April 2017

Director

The accompanying notes form an integral part of these Financial Statements.

WOODFORD EQUITY INCOME FEEDER FUND
A Sub-Fund of Woodford Funds (Ireland) ICAV

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES
 FOR THE FINANCIAL PERIOD FROM 18 JULY 2016 (DATE OF REGISTRATION) TO 31 DECEMBER 2016

	Woodford Equity Income Feeder Fund
	Period ended*
	31 December 2016
	GBP
	Note
Net assets attributable to holders of redeemable participating shares at the beginning of the period	-
Change in net assets for the period from operations attributable to holders of redeemable participating shares	(737,980)
Issue of redeemable participating shares for the period	10 71,560,269
Redemption of redeemable participating shares for the period	10 <u>(2,333)</u>
Net assets attributable to holders of redeemable participating shares at the end of the period	<u><u>70,819,956</u></u>

*For the financial period from 18 July 2016 (date of registration) to 31 December 2016.

The accompanying notes form an integral part of these Financial Statements.

WOODFORD EQUITY INCOME FEEDER FUND
A Sub-Fund of Woodford Funds (Ireland) ICAV

STATEMENT OF CASHFLOWS
 FOR THE FINANCIAL PERIOD FROM 18 JULY 2016 (DATE OF REGISTRATION) TO 31 DECEMBER
 2016

	Woodford Equity Income Feeder Fund Period ended* 31 December 2016 GBP
Cash flows from operating activities	
Change in net assets for the period from operations attributable to holders of redeemable participating shares	(737,980)
Net loss on financial assets and liabilities at fair value through profit or loss	632,746
Gains on forward foreign currency contracts and currencies	(666,076)
Increase in payables	79,946
Purchase of financial assets	(71,437,743)
Proceeds from sale of financial assets	702,328
Net cash outflow from operating activities	<u>(71,426,779)</u>
Cash flow from financial activities	
Proceeds from redeemable participating shares issued during the period	71,506,519
Payments for redeemable participating shares redeemed during the period	(2,333)
Net cash inflow from financing activities	<u>71,504,186</u>
Net change in cash and cash equivalents	77,407
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	<u><u>77,407</u></u>

*For the financial period from 18 July 2016 (date of registration) to 31 December 2016.

The accompanying notes form an integral part of these Financial Statements.

WOODFORD EQUITY INCOME FEEDER FUND

A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

1. ORGANISATION AND NATURE OF BUSINESS

Woodford Funds (Ireland) ICAV (the "ICAV") is an open-ended umbrella type Irish Collective Asset-Management Vehicle with limited liability and segregated liability between Funds, registered with and authorised by the Central Bank of Ireland ("Central Bank") to carry on business as an ICAV pursuant to part 2 of the Irish Collective Asset-management Vehicles Act, 2015 (the "ICAV Act"). The ICAV is authorised by the Central Bank and pursuant to the provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the "UCITS Regulations") and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015.

It was registered in Ireland on 18 July 2016 and was authorised by the Central Bank on 23 September 2016 as an umbrella fund with segregated liability between Funds.

The ICAV is structured as an umbrella type Irish collective asset-management vehicle which may consist of different Funds, each comprising one or more Classes. As at the 31 December 2016, the ICAV has one initial Fund namely the Woodford Equity Income Feeder Fund (the "Fund").

The investment objective of the Fund is to invest at least 85% of its net assets in the CF Woodford Equity Income Fund ("Master Fund"). The Master Fund is a sub fund of the CF Woodford Investment Fund which is an open-ended umbrella type investment company with variable capital incorporated with limited liability and registered in England and Wales under registered number IC001010 and which is authorised by the UK's Financial Conduct Authority as a UCITS.

The investment objective of the Fund may only be amended with the approval of Shareholders of the Fund on the basis of a majority of votes cast at a general meeting duly convened. In the event of a change of investment objective of the Fund, a reasonable notification period must be provided to enable Shareholders to redeem their Shares prior to the implementation of such change.

Save as otherwise provided hereinafter, it is not intended that the Fund will make any direct investments and it is the intention that 100% of all monies received by the Fund will be invested in the Master Fund other than retaining a limited reserve of cash sufficient to cover the various fees and expenses payable by the Fund.

WOODFORD EQUITY INCOME FEEDER FUND

A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

The financial statements of the ICAV are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and interpretations adopted by the International Accounting Standards Board ("IASB"), and with the requirements of the ICAV Act.

The preparation of financial statements in conformity with IFRS requires the use of certain critical estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results ultimately may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

All references to Net Assets throughout this document refer to Net Assets Attributable to Holders of Redeemable Participating Shares, unless otherwise stated.

The financial statements are prepared in Sterling ("GBP") and rounded to the nearest GBP.

ACCOUNTING STANDARDS

Accounting standards in issue that are not yet effective and have not been early adopted

IFRS 9, 'Financial Instruments' (effective January 2018):

IFRS 9 is not expected to have an impact on the measurement basis of the financial assets since the ICAV's financial assets are measured at fair value through profit or loss.

IFRS 9 deals with recognition, derecognition, classification and measurement of financial assets and financial liabilities. Its requirements represent a significant change from the existing requirements in IAS 39, Financial Instruments: Recognition and Measurement, in respect of financial assets. The standard contains two primary measurement categories for financial assets: at amortised cost and fair value.

WOODFORD EQUITY INCOME FEEDER FUND

A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

ACCOUNTING STANDARDS (continued)

Accounting standards in issue that are not yet effective and have not been early adopted (continued)

IFRS 9, 'Financial Instruments' (effective January 2018) (continued):

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 eliminates the existing IAS 39 categories of held to maturity, available for sale and loans and receivables.

For an investment in an equity instrument that is not held for trading, the standard permits an irrevocable election, on initial recognition, on an individual Share by Share basis, to present all fair value changes from the investment in other comprehensive income. No amount recognised in other comprehensive income would ever be reclassified to profit or loss. However, dividends on such investments are recognised in profit or loss, rather than other comprehensive income unless they clearly represent a partial recovery of the cost of the investment. Investments in equity instruments in respect of which an entity does not elect to present fair value changes in other comprehensive income would be measured at fair value with changes in fair value recognised in profit or loss.

The standard requires that derivatives embedded in contracts with a host that is a financial asset within the scope of the standard are not separated; instead the hybrid financial instrument is assessed in its entirety as to whether it should be measured at amortised cost or fair value.

IFRS 9 requires that the effects of changes in credit risk of liabilities designated as at fair value through profit or loss are presented in other comprehensive income unless such treatment would create or enlarge an accounting mismatch in profit or loss, in which case all gains or losses on that liability are presented in profit or loss. Other requirements of IFRS 9 relating to classification and measurement of financial liabilities are unchanged from IAS 39.

The requirements of IFRS 9 relating to derecognition are unchanged from IAS 39.

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

ACCOUNTING STANDARDS (continued)

Accounting standards in issue that are not yet effective and have not been early adopted (continued)

The standard is effective for annual years beginning on or after 1 January 2018. Earlier application is permitted. The ICAV does not plan to early adopt this standard.

IFRS 15 'Revenue from Contracts with Customers' replaces IAS 11 and IAS 18 and is effective from 1 January 2018. It establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

b) Investments

(i) Classification and Recognition

IAS 39 identifies the requirements for recognition and measurement of all financial assets and financial liabilities including derivative instruments. The ICAV classifies its investments in the Master Fund as financial assets or financial liabilities designated at fair value through profit or loss at inception.

The ICAV recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

Financial assets that are classified as loans and receivables include cash, securities sold receivable and other assets. Financial liabilities that are not at fair value through profit or loss include securities purchased payable and accounts payable.

(ii) Measurement

Financial instruments are measured initially at fair value as determined by transaction price. 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. The fair value of the Fund's investment in the CF Woodford Investment Fund (the "Master Fund") is based on the net asset value per share obtained from the Master Fund's administrator. The Master Fund is an investment company with variable capital incorporated under the OEIC Regulations.

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Investments (continued)

(ii) Measurement (continued)

The Master Fund is incorporated in England and Wales. The Master Fund is an umbrella company authorised as a UCITS Scheme for the purpose of the Collective Investment Schemes Sourcebook ("COLL") and consists of one sub-fund, the CF Woodford Equity Income Fund. The Master Fund was authorised by an order made by the Financial Conduct Authority with effect from the 7 May 2014. The operation of the Master Fund is governed by the OEIC Regulations, the Instrument of Incorporation and its Prospectus. The Fund invests primarily in the Master Fund.

Financial instruments at fair value through profit or loss are measured initially at fair value.

Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately, while on other financial instruments they are amortised.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss is measured at fair value with changes in their fair value recognised in the Statement of Comprehensive Income.

(iii) Recognition and De-recognition

The ICAV recognises financial assets and financial liabilities when all significant rights and access to the benefits from the assets and the exposure to the risks inherent in those benefits are transferred to the Fund. The Fund derecognises financial assets and financial liabilities when all such benefits and risks are transferred from the Fund.

(iv) Net gain/(loss) on financial assets and liabilities at fair value through profit or loss

Net gain/(loss) on financial assets and liabilities at fair value through profit or loss include all realised and unrealised fair value changes and foreign exchange differences but excludes interest and dividend income. The ICAV uses the first in-first out ("FIFO") method to determine realised gains and losses on derecognition.

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Investments (continued)

(v) Foreign exchange

The functional and presentational currency of the Fund is GBP. Monetary assets and liabilities denominated in currencies other than GBP are translated into GBP at the closing rates of exchange at each financial period end. Transactions during the financial period, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction. Foreign currency gains and losses are included in realised and unrealised gain and loss on investments, in the Statement of Comprehensive Income.

(vi) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and other short-term investments in an active market with original maturities of three months or less.

(vi) Forward foreign currency contracts

The unrealised gain or loss on open forward foreign currency contracts, if any, is calculated as the difference between the original contracted rate and the rate to close out the contract at that point in time. Realised gains or losses include net gains on contracts which have been settled or offset by other contracts. The ICAV recognises a realised gain or loss in the Statement of Comprehensive Income when the contract is closed.

(vii) Transaction costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. When a financial asset or liability is recognised initially, an entity shall measure it at its fair value through profit or loss plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or liability. For the financial period from 18 July 2016 (date of registration) to 31 December 2016 Transaction costs incurred were immediately recognised in profit or loss as an expense.

c) Income and expenses

Interest income and expense on cash is accounted for using the effective interest method.

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Distributions

It is the intention of the Directors to make a quarterly distribution to Shareholders, comprised of a quarterly dividend calculated as at the last Business Day of March, June, September and December respectively on all income share classes.

e) Receivables

Receivables are assets with fixed or determinable payments that are not quoted in an active market. Receivables are recognised initially at amortised cost plus transaction costs that are directly attributable to their acquisition. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

f) Redeemable shares

The Fund has eight classes of redeemable shares in issue, which are redeemable at the holder's option and do not have identical features. Such shares are classified as financial liabilities. Redeemable shares can be put back in to the Fund at any dealing date for cash equal to a proportionate share of the Fund's net asset value attributable to the share class.

The redeemable shares are carried at the redemption amount that is payable at the Statement of Financial Position date if the holder exercises the right to put the share back to the Fund. Redeemable shares are issued and redeemed at the holder's option at prices based on the Fund's net asset value per share at the time of issue or redemption. The Fund's net asset value per share is calculated by dividing the net assets attributable to the holders of each class of redeemable shares with the total number of outstanding redeemable shares for each respective class.

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

3. TAXATION

Under current Irish law and practice, the ICAV qualifies as an investment undertaking for the purposes of Section 739B of the Taxes Consolidation Act, 1997, as amended ("TCA") so long as the ICAV is resident in Ireland. Accordingly, it is generally not chargeable to Irish tax on its income and gains.

Irish tax can arise on the happening of a "chargeable event" in the ICAV. A chargeable event includes any payments of distributions to Shareholders, any encashment, repurchase, redemption, cancellation or transfer of Shares and any deemed disposal of Shares A for Irish tax purposes arising as a result of holding Shares in the ICAV for a period of eight years or more. Where a chargeable event occurs, the ICAV is required to account for the Irish tax thereon.

No Irish tax will arise in respect of a chargeable event where:

- a) the Shareholder is neither resident nor ordinarily resident in Ireland ("Non-Irish Resident") and it (or an intermediary acting on its behalf) has made the necessary declaration to that effect and the ICAV is not in possession of any information which would reasonably suggest that the information contained in the declaration is not, or is no longer, materially correct; or
- b) the Shareholder is Non-Irish Resident and has confirmed that to the ICAV and the ICAV is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to provide the necessary declaration of non-residence has been complied with in respect of the Shareholder and the approval has not been withdrawn; or
- c) the Shareholder is an exempt Irish tax resident.

In the absence of a signed and completed declaration or written notice of approval from the Revenue Commissioners, as applicable, being in the possession of the ICAV at the relevant time there is a presumption that the Shareholder is resident or ordinarily resident in Ireland or is not an exempt Irish tax resident and a charge to tax arises.

A chargeable event does not include:

- any transactions (which might otherwise be a chargeable event) in relation to Shares held in a recognised clearing system as designated by order of the Revenue Commissioners of Ireland; or

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

3. TAXATION (continued)

- a transfer of Shares between spouses/civil partners and any transfer of Shares between spouses/civil partners or former spouses/civil partners on the occasion of judicial separation, decree of dissolution and/or divorce, as appropriate; or
- an exchange by a Shareholder, effected by way of arm's length bargain where no payment is made to the Shareholder, of Shares in the ICAV for other Shares in the ICAV; or
- an exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the TCA) of the ICAV with another investment undertaking.

Capital gains, dividends (if any) and interest which the ICAV receives with respect to investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of the investments are located and such taxes may not be recoverable by the ICAV and its Shareholders.

4. NET GAINS AND LOSSES ON FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	Period ended*
	31 December 2016
	GBP
Net realised loss on investments	(13,648)
Movement in net unrealised loss on investments	(136,922)
Net currency loss	(482,176)
	<u>(632,746)</u>
	<u><u>(632,746)</u></u>

*For the financial period from 18 July 2016 (date of registration) to 31 December 2016.

5. FEES AND EXPENSES

Establishment Expenses

All fees and expenses relating to the establishment and organisation of the ICAV and the initial Fund including the fees of the ICAV's professional advisers were borne by the Investment Manager in its capacity as promoter of the ICAV. The fees and expenses relating to the establishment of any additional Funds will be set out in the relevant Supplement for that Fund.

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

5. FEES AND EXPENSES (continued)

Annual Management Fees

The Fund will be charged an Annual Management Fee in respect of each class at the following percentage rate per annum of the Net Asset Value of the Fund:

Class A Accumulating USD – Unhedged	1.00%
Class A Income GBP - Unhedged	1.00%
Class C Accumulating EUR – Unhedged	0.75%
Class C Income EUR – Unhedged	0.75%
Class C Accumulating GBP – Unhedged	0.75%
Class C Income GBP – Unhedged	0.75%
Class C Income USD – Hedged	0.80%
Class C Income USD - Unhedged	0.75%

The Annual Management Fee is calculated and accrued daily and is payable monthly based on the daily Net Asset Value of the relevant Class within the Fund. The amount due is payable as soon as is practicable and in any event no later than the end of the following calendar month.

Investment Manager Fees

The Investment Manager is entitled to receive a fee from the ICAV out of the Annual Management Fee provided that the other fees specified below have already been paid from the Annual Management Fee.

- Fees of the Directors from time to time applicable to the Fund
- Fees of the Manager;
- Fees of the Depositary;
- Fees of the Administrator;
- Fees of the Hedging Agent (in respect of performing Share Class currency hedging services);
- Fees of the ICAV Secretary from time to time applicable to the Fund;
- Fees of the Auditor from time to time applicable to the Fund; and
- Fees of the anti-money laundering reporting officer.

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

Investment Manager fees for the financial period ended 31 December 2016 are GBP25,950 of which GBP13,403 remained payable at the period end.

The Investment Manager will not receive a performance fee.

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

5. FEES AND EXPENSES (continued)

Management Company Fees

The Manager, for its own benefit and use, is entitled to receive from the Annual Management Fee a management company fee (the "Management Company Fee") of 0.0125% of the Net Asset Value of the Fund subject to a minimum fee of GBP1,250 per month. The Management Company Fee accrues as of each Valuation Point and is payable monthly in arrears (plus VAT, if any).

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

Manager fees for the financial period ended 31 December 2016 are GBP3,156 of which GBP295 remained payable at the period end.

The Investment Manager Fees and Management Company Fees are combined in the Statement of Comprehensive Income under Management Fees GBP29,106 and in the Statement of Financial Position under Management Fees payable GBP13,698.

The ICAV's current policy is that the fees associated with ongoing charges of the Fund will be borne by the Investment Manager out of its portion of the Annual Management Fee. This is capped at total expenses for the period. The reimbursement for the financial period ended 31 December 2016 was GBP77,054.

Administrator's Fees

The Administrator is entitled to receive from the ICAV a portion of the Annual Management Fee a fee not exceeding 0.01% of the Net Asset Value of the Fund (plus VAT, if any), accrued and calculated on each Valuation Point and payable monthly in arrears. The Administrator is entitled to receive a fee of GBP10,000 for the preparation of the financial statements of the ICAV including the financial statement of the Funds. Administrator fees for the financial period ended 31 December 2016 are GBP1,290 of which GBP555 remained payable at the period end.

Depository's Fees

The Depository is entitled to receive from the ICAV a portion of the Annual Management Fee not exceeding 0.01% of the Net Asset Value of the Fund (plus VAT, if any), accrued and calculated on each Valuation Point and payable monthly in arrears.

The Depository is also be entitled to be repaid out of the assets of the Fund for all of its reasonable disbursements incurred on behalf of the Fund, including the safe-keeping fees and expenses of any sub-custodian (which shall be at normal commercial rates) and transaction charges (which shall also be at normal commercial rates) levied by the Depository or any sub-custodian and any applicable taxes it incurs on behalf of the Fund. Such custody fees shall accrue and be payable monthly in arrears. Depository fees for the financial period ended 31 December 2016 are GBP1,289 of which GBP386 remained payable at the period end

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

5. FEES AND EXPENSES (continued)

Master Fund Depository fees

The depository of the Master Fund is entitled to receive fees payable out of the assets of the Master Fund. The Fund, as a Shareholder in the Master Fund will consequently incur a pro rata cost associated with such depository fee which will be reflected in the value of the shares in the Master Fund.

Directors Fees

The Instrument authorises the Directors to charge a fee for their services at a rate determined by the Directors. Each Director shall receive a fee for their services up to a maximum of €30,000 per annum, or such other amount as may from time to time be disclosed in the annual report of the ICAV. The Directors who are employees of the Investment Manager will not receive any fee. Any increase above the maximum permitted fee will be notified in advance to Shareholders. The Directors may elect to not to receive a fee, as is the case with those Directors connected with the Investment Manager. Each Director may be entitled to special remuneration if called upon to perform any special or extra services to the ICAV, details of which will be set out in the financial statements of the ICAV. All Directors will be entitled to reimbursement by the ICAV of expenses properly incurred in connection with the business of the ICAV or the discharge of their duties. Directors fees for the financial period ended 31 December 2016 are GBP15,589 of which GBP15,589 remained payable at the period end

6. OTHER EXPENSES

	Period ended*
	31 December 2016
	GBP
Central Bank of Ireland levy	1,659
Legal fees	18,588
Corporate secretarial fees	5,114
Other professional fees	7,404
Reporting fees	9,872
Miscellaneous fees	6,101
	<hr/> <hr/> 48,738

*For the financial period from 18 July 2016 (date of registration) to 31 December 2016.

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

7. OTHER PAYABLES

	As at 31 December 2016
	GBP
Central Bank of Ireland levy payable	1,304
Legal fees payable	18,588
Corporate secretary fees payable	3,458
Other professional fees payable	7,404
Reporting fees payable	3,846
Miscellaneous fees payable	5,914
	<hr/> <hr/> 40,514

8. CASH AND CASH EQUIVALENTS

At 31 December 2016, the ICAV held cash of GBP 77,407 with The Northern Trust Company, London Branch (TNTC). TNTC is a wholly owned subsidiary of Northern Trust Corporation. As at 31 December 2016, Northern Trust Corporation had a long term rating from Standard & Poor's of A+.

9. EFFICIENT PORTFOLIO MANAGEMENT

The Master Fund may make use derivative instruments, for efficient portfolio management purposes. Details of these are disclosed in the schedule of investments of the Master Fund. A detailed description of the techniques and instruments that the Master Fund may employ for efficient portfolio management purposes are set out in the Prospectus.

10. SHARE CAPITAL

The share capital of the ICAV is divided into a specified number of shares without assigning any nominal value to them. Shares of the ICAV are divided into ordinary participating shares of no nominal value ("Shares") and ordinary management shares of no nominal value ("Management Shares").

Subscription Fee

It is not the current intention to charge a Subscription Fee.

Redemption Fee

It is not the current intention to charge a Redemption Fee.

WOODFORD EQUITY INCOME FEEDER FUND
A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

10. SHARE CAPITAL (continued)

Shares issued and redeemed

	Class A Acc USD - Unhedged* Period ended** 31 December 2016	Class A Inc GBP - Unhedged* Period ended** 31 December 2016
Number of shares:		
At the beginning of the period	-	-
Subscriptions	495,429	549,767
Redemptions	-	-
At the end of the period	<u>495,429</u>	<u>549,767</u>

	Class C Acc EUR - Unhedged* Period ended** 31 December 2016	Class C Inc EUR - Unhedged* Period ended** 31 December 2016
Number of shares:		
At the beginning of the period	-	-
Subscriptions	40,000	38,000
Redemptions	-	-
At the end of the period	<u>40,000</u>	<u>38,000</u>

	Class C Acc GBP - Unhedged* Period ended** 31 December 2016	Class C Inc GBP - Unhedged* Period ended** 31 December 2016
Number of shares:		
At the beginning of the period	-	-
Subscriptions	1,228,568	2,949,059
Redemptions	-	(2,458)
At the end of the period	<u>1,228,568</u>	<u>2,946,601</u>

	Class C Inc USD - Hedged* Period ended** 31 December 2016	Class C Inc USD - Unhedged* Period ended** 31 December 2016
Number of shares:		
At the beginning of the period	-	-
Subscriptions	81,387,563	82,442
Redemptions	-	-
At the end of the period	<u>81,387,563</u>	<u>82,442</u>

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

10. SHARE CAPITAL (continued)

- * Class C Income USD – Hedged launched on 14 October 2016.
Class C Accumulating GBP – Unhedged launched on 19 October 2016.
Class A Income GBP – Unhedged launched on 21 October 2016.
Class C Income GBP – Unhedged launched on 26 October 2016.
Class C Accumulating EUR – Unhedged launched on 3 November 2016.
Class C Income USD – Unhedged launched on 10 November 2016.
Class A Accumulating USD – Unhedged launched on 29 November 2016.
Class C Income EUR – Unhedged launched on 16 December 2016.
- ** For the financial period from 18 July 2016 (date of registration) to 31 December 2016.

11. NET ASSET VALUE PER SHARE

The Net Asset Value of the Fund divided by the number of shares of the Fund in issue as at the relevant Valuation Point is equal to the Net Asset Value of a share of the Fund.

As at
31 December 2016

Net Asset Value Class A Acc USD - Unhedged	USD 501,082
Net Asset Value Class A Inc GBP - Unhedged	GBP 544,453
Net Asset Value Class C Acc EUR - Unhedged	EUR 42,758
Net Asset Value Class C Inc EUR - Unhedged	EUR 37,688
Net Asset Value Class C Acc GBP - Unhedged	GBP 1,219,318
Net Asset Value Class C Inc GBP - Unhedged	GBP 2,908,721
Net Asset Value Class C Inc USD - Hedged	USD 80,704,419
Net Asset Value Class C Inc USD - Unhedged	USD 84,158
Net Asset Value per Class A Acc USD - Unhedged share	USD 1.0114
Net Asset Value per Class A Inc GBP - Unhedged share	GBP 0.9903
Net Asset Value per Woodford Class C Acc EUR - Unhedged share	EUR 1.0689
Net Asset Value per Woodford Class C Inc EUR - Unhedged share	EUR 0.9918
Net Asset Value per Class C Acc GBP - Unhedged share	GBP 0.9925
Net Asset Value per Class C Inc GBP - Unhedged share	GBP 0.9871
Net Asset Value per Class C Inc USD - Hedged share	USD 0.9916
Net Asset Value per Woodford Class C Inc USD - Unhedged share	USD 1.0208

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

12. DISTRIBUTIONS

There were no distributions paid during the financial period ended 31 December 2016.

13. RELATED PARTIES

IAS 24 'Related Party Transactions' requires the disclosure of information relating to material transactions with parties who are deemed to be related to the reporting entity.

The Fund is managed by Woodford Investment Management LLP, the Investment Manager. Under the terms of the investment management agreement the Investment Manager is responsible, subject to the overall supervision and control of the Directors, for managing the assets and investments of the Fund in accordance with the investment objective and policies of the Fund. The Investment Manager is entitled to receive investment management fees as set out in Note 5.

Simon Osborne and Simon Dale, both Directors' of the ICAV, are employees of the Investment Manager and as such do not receive a Director's fee.

The fees charged by all service providers are disclosed in Note 5 to the financial statements.

14. FINANCIAL INSTRUMENTS

Substantially all of the assets of the Fund are invested in the Master Fund and are, therefore, exposed to the underlying investments of that Master Fund.

Substantially all of the Master Fund's financial assets and liabilities related to investments in UK listed companies. The specific risks arising from the Master Fund's exposure to these instruments (and, therefore, affecting this Fund), and the Manager's policies for managing these risks, which have been applied throughout the year, are summarised in the relevant Supplementary Memorandum.

For a more detailed description of the financial instruments and associated risks of an investment in the Master Fund, please refer to Note 14 of the Audited Financial Statements of the CF Woodford Equity Income Fund.

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

15. FINANCIAL RISK MANAGEMENT

The Fund's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The investment objective of the Fund is to invest at least 85% of its net assets in the CF Woodford Equity Income Fund ("Master Fund"). The Master Fund is a sub fund of the CF Woodford Investment Fund which is an open-ended umbrella type investment company with variable capital incorporated with limited liability and registered in England and Wales under registered number IC001010 and which is authorised by the UK's Financial Conduct Authority as a UCITS.

The Fund takes exposure to certain risks to generate investment returns on its portfolio. These risks can potentially result in a reduction in the Fund's net assets. The Investment Manager will use its best endeavours to minimise the potentially adverse effects of these risks on the Fund's performance where it can do so while still managing the investments of the Fund in a way that is consistent with the Fund's investment objective and policy. Please refer to the Fund's Prospectus under the heading Risk Factors for further discussion on the ICAV's risk management policies.

The Fund's financial instruments consist of a transferable security, OTC derivatives and cash. The nature and extent of the financial instruments outstanding at the Statement of Financial Position date and the risk management policies employed by the ICAV are discussed further below.

Market price risk

IFRS 7 defines market price risk as the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk reflects interest rate risk, currency risk and other price risks. The maximum risk resulting from financial instruments the Fund holds is equal to their fair value.

The Fund's holdings are susceptible to market price risk arising from uncertainties about future prices of the instruments. The Investment Manager moderates this risk through a careful selection of securities within specified limits. In addition, the Investment Manager manages the exposure of the portfolio to the risk of adverse changes in the general level of market prices through adhering to its formal risk management process, which includes the use of systems and technology to monitor overall market and position risk on a daily basis.

WOODFORD EQUITY INCOME FEEDER FUND

A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

15. FINANCIAL RISK MANAGEMENT (continued)

Market price risk (continued)

The Fund invests at least 85% of its net assets in the Master Fund. The Directors of the ICAV set limits and give mandate to the Investment Manager, who manages this risk in line with the Offering Document. The Directors of the ICAV monitor the market price risks inherent in the investment portfolio by ensuring full and timely access to relevant information from the Investment Manager. The Directors of the ICAV meet regularly and at each meeting reviews investment performance and overall market positions. They monitor the Investment Manager's compliance with the ICAV's objectives.

The Fund's market price risk is affected by two components: changes in market prices and currency exchange rates. The Fund's exposure to market risk is disclosed in the Schedule of Investments.

Interest rate risk

Interest rate risk arises from the effects of fluctuations on the prevailing levels of market interest rates on the fair value of future cash flows of financial assets and liabilities.

At 31 December 2016, the Fund held cash amounting to 0.11% of the net assets. Therefore, the interest rate risk of the Fund at 31 December 2016 was negligible.

Currency risk

Currency risk is defined in IFRS 7 as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund is exposed to currency risk as the assets and liabilities of the Fund may be denominated in a currency other than the functional currency of the Fund, which is GBP.

Foreign currency risk arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates.

At 31 December 2016, the majority of monetary and non-monetary assets of the Fund are denominated in GBP, the functional currency.

Liquidity risk

IFRS 7 defines liquidity risk as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

15. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk (continued)

The Fund and the Master Fund are exposed to daily cash redemptions of shares. The Fund invests the majority of its assets in the Master Fund which is considered to be liquid, as it can be readily disposed of in the event that cash needs to be raised to meet redemptions or to pay expenses. There are a number of circumstances when Capita Financial Managers (Ireland) Limited (the "Manager") may, with the approval of the Depositary, temporarily suspend the right of Shareholders to require the realisation of shares of any class and/or may delay the payment of any monies in respect of any such realisation.

In accordance with the Fund's policy, the Manager monitors the Fund's liquidity on a daily basis and reviews any significant exposures at its periodic meetings. At 31 December 2016 the Fund's financial liabilities, as disclosed on the Statement of Financial Position, were all due within one month.

Credit risk

Credit risk is defined in IFRS 7 as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Fund will be exposed to credit risk on parties with whom they trade, which will include counterparties, and may also bear the risk of settlement default. The carrying amounts of financial assets best represent the maximum credit risk exposure at the Statement of Financial Position date. The Fund is indirectly exposed to credit risk due to the investment in the Master Fund.

All transactions entered into by the Master Fund in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Substantially all of the cash assets are held with the Northern Trust Company, London Branch ("TNTC"). Cash deposited with TNTC is deposited as banker and is held on its Statement of Financial position. Accordingly, in accordance with usual banking practice, the Bank's liability to the Fund in respect of such cash deposits shall be that of debtor and the Fund will rank as a general creditor of TNTC.

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

15. FINANCIAL RISK MANAGEMENT (continued)

Credit risk (continued)

The financial instruments held in custody are held with the Depositary Northern Trust Fiduciary Services (Ireland) Limited. These assets are held distinct and separately from the proprietary assets of the Depositary. Securities are clearly recorded to ensure they are held on behalf of the Fund. Bankruptcy or insolvency of the Depositary and or one of its agents or affiliates may cause the Fund's rights with respect to the securities held by the Depositary to be delayed.

Both Northern Trust Fiduciary Services (Ireland) Limited and the Northern Trust Company, London Branch are wholly owned subsidiaries of Northern Trust Corporation.

As at 31 December 2016 Northern Trust Corporation had a long term rating from Standard & Poor's of A+ (31 December 2015: A+).

Risk is managed by monitoring the credit quality and financial positions of the Depositary the Fund uses.

Northern Trust acts as its own sub-custodian in the U.S., the U.K., Ireland and Canada. In all other markets Northern Trust appoints a local sub - custodian. Northern Trust continually reviews its sub-custodian network to ensure clients have access to the most efficient, creditworthy and cost-effective provider in each market.

The Master Fund only buys and sells investments through brokers which have been approved as an acceptable counterparty. In addition, limits are set as to the maximum exposure to any individual broker that may exist at any time; these limits are reviewed regularly.

- Fair value – there is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet of the Master Fund, and their fair value.
- Derivatives and other financial instruments – transactions in derivatives and forward currency contracts may be used for the purpose of hedging and meeting the investment objective of the Master Fund. In pursuing the Master Fund's objectives, the Investment Manager may make use of a variety of instruments in accordance with the rules.

Credit risk arising from receivables relating to unsettled trades is considered small due to the short settlement period involved. The maximum exposure related to unsettled trades equals the amounts shown on the statement of financial position. There were no past due or impaired assets as of 31 December 2016.

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

15. FINANCIAL RISK MANAGEMENT (continued)

Credit risk (continued)

The Fund invests primarily into the Master Fund and is therefore indirectly exposed to the Master Fund's investments.

The net assets (fair value of investments, cash and receivables relating to securities) exposed to credit risk at year-end amounted to:

	31 December 2016
Fund	GBP
Woodford Equity Income Feeder Fund	70,898,246

Capital risk management

The capital of the Fund is represented by the net assets attributable to holders of redeemable shares. The amount of net asset attributable to holders of redeemable shares can change significantly on a daily basis, as the Fund is subject to at least daily subscriptions and redemptions at the discretion of Shareholders.

The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for Shareholders, provide benefits for other stakeholders and maintain a strong capital base to support the development of the investment activities of the Fund.

Cybersecurity Risk

Cybersecurity breaches may occur allowing an unauthorised party to gain access to assets of the Fund, shareholder data, or proprietary information, or may cause the ICAV, the Investment Manager, the Distributor, the Administrator or the Depositary to suffer data corruption or lose operational functionality. The Fund may be affected by intentional cybersecurity breaches which include unauthorised access to systems, networks, or devices (such as through "hacking" activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws). A cybersecurity breach could result in the loss or theft of Shareholder data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs.

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

16. FAIR VALUE HIERARCHY

IFRS 13 "Financial Instruments: Disclosure" requires the ICAV to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Fair value is the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the reporting date. The ICAV has adopted IFRS 13 Fair Value Measurement and uses last traded market prices as its valuation inputs for listed securities. If market quotations are not available or are unrepresentative, estimation methods may be used to calculate fair value.

The fair value hierarchy has the following levels:

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

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

WOODFORD EQUITY INCOME FEEDER FUND
A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

16. FAIR VALUE HIERARCHY (continued)

For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

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

	Level 1	Level 2	Level 3	Total
	GBP	GBP	GBP	GBP
Investment funds				
Woodford Equity Income Feeder Fund	-	70,624,390	-	70,624,390
Open forward foreign currency contracts	-	183,900	-	183,900
	-	70,808,290	-	70,808,290

17. EXCHANGE RATES

The following table shows the exchange rates (against GBP) used to convert assets and liabilities denominated in foreign currencies into GBP at the period end.

	Exchange Rate to GBP 31 December 2016
Euro	1.1715
United States dollar	1.2356

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

Notes to the Financial Statements (continued)

For the financial period from 18 July 2016 (date of registration) to 31 December 2016

18. SIGNIFICANT EVENTS DURING THE PERIOD

The ICAV was registered on the 18 July 2016 and authorised by the Central Bank on 23 September 2016.

On 30 September 2016, the Investment Manager changed its legal status from a limited liability partnership to a limited company.

The Woodford Equity Income Feeder Fund launched on 13 October 2016.

The following share classes in the Fund were launched during the period:

Class C Income USD – Hedged launched on 14 October 2016.

Class C Accumulating GBP – Unhedged launched on 19 October 2016.

Class A Income GBP – Unhedged launched on 21 October 2016.

Class C Income GBP – Unhedged launched on 26 October 2016.

Class C Accumulating EUR – Unhedged launched on 3 November 2016.

Class C Income USD – Unhedged launched on 10 November 2016.

Class A Accumulating USD – Unhedged launched on 29 November 2016.

Class C Income EUR – Unhedged launched on 16 December 2016.

There were no other significant events during the financial period ended 31 December 2016.

19. SUBSEQUENT EVENTS

The Woodford Equity Income Feeder Fund Class A Accumulating EUR – Hedged launched on 13 January 2017.

There have been no other events after the Statement of Financial Position date, which, in the opinion of the Directors of the ICAV may have an impact on the financial statements for the financial period ended 31 December 2016.

20. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Board of Directors on 27 April 2017.

WOODFORD EQUITY INCOME FEEDER FUND

A Sub-Fund of Woodford Funds (Ireland) ICAV

APPENDIX 1 (UNAUDITED)

REMUNERATION POLICY

The ICAV has a remuneration policy in place to ensure compliance with UCITS V and all relevant regulations.

The Manager has designed and implements a remuneration policy which is consistent with and promotes sound and effective risk management by having a business model which by its nature does not promote excessive risk taking that is inconsistent with the risk profile of the ICAV and its Funds.

The Manager's remuneration policy is consistent with the business strategy, objectives, values and interests of the ICAV and the Shareholders of the ICAV and includes measures to avoid conflicts of interest.

The Manager's remuneration policy applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls into the remuneration bracket of senior management and risk takers, whose professional activities have a material impact on the risk profile of the ICAV and its Funds.

In line with the provisions of the UCITS Directive and ESMA Guidelines on Sound Remuneration Policies under the UCITS Directive and AIFMD (2016/ESMA/GUIDELINES) (the "ESMA Remuneration Guidelines") each of which may be amended from time to time, the ICAV applies its remuneration policy and practices in a way and to the extent that is proportionate to its size, its internal organisation and the nature, scope and complexity of its activities.

Where the Manager delegates investment management functions in respect of any Fund of the ICAV, it will ensure that:

- a. the entities to which investment management activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the ESMA Remuneration Guidelines; or
- b. appropriate contractual arrangements are put in place to ensure that there is no circumvention of the remuneration rules set out in the ESMA Remuneration Guidelines.

WOODFORD EQUITY INCOME FEEDER FUND A Sub-Fund of Woodford Funds (Ireland) ICAV

APPENDIX 1 (UNAUDITED) (CONTINUED)

REMUNERATION POLICY (continued)

Details of the Manager's most recent remuneration policy, including, but not limited to, a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits, is available at the below email address and a paper copy of such remuneration policy is available to investors free of charge.

www.capitaassetservices.ie/services/fund-solutions.cshtml

Quantitative remuneration information will be included once the Manager has completed its first annual performance period (31 December 2017) to ensure the disclosure provides a reliable basis for comparison.

SECURITIES FINANCING TRANSACTIONS REGULATION

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (SFTs) will be required on all report and accounts published after 13 January 2017. During the financial period ended 31 December 2016, the ICAV did not enter into any Securities Financing Transactions.