

**Platinum World Portfolios plc**

# **Annual Report**

**For the period from 9 July 2014 (date of incorporation) to 30 June 2015**

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**Management and Administration at 30 June 2015**

**Board of Directors**

Tony Mc Poland (Irish)\*  
Kevin Molony (Irish)\*  
Stephen Menzies (Australian)

**Administrator**

State Street Fund Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Promoter, Investment Manager and Distributor**

Platinum Investment Management Limited  
Level 8, 7 Macquarie Place  
Sydney NSW 2000  
Australia

**Legal Advisers in Ireland**

Arthur Cox  
Earlsfort Centre  
Earlsfort Terrace  
Dublin 2  
Ireland

**Custodian**

State Street Custodial Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Auditors**

PricewaterhouseCoopers  
Chartered Accountants & Statutory Auditors  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland

**Registered Office of the Company**

Arthur Cox Building  
Earlsfort Terrace  
Dublin 2  
Ireland

**Company Secretary**

Bradwell Limited  
Arthur Cox Building  
Earlsfort Terrace  
Dublin 2  
Ireland

\* Denotes Independent Director (as defined in the in the Corporate Governance Code for Collective Investment Schemes as published by the Irish Funds Industry Association).

### **Background to the Company**

Platinum World Portfolios plc (the "Company") was incorporated on 9 July 2014 as a public limited company under the Companies Act 1963 to 2013 under registration number 546481.

The Company is an open-ended umbrella investment company with variable capital organised under the laws of Ireland. The board of directors of the Company (the "Board" or the "Directors") intend to submit an application to the Central Bank of Ireland (the "Central Bank") to seek approval for the Company and its sub-funds to be authorised by the Central Bank under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (the "UCITS Regulations"). The Company is organised in the form of an umbrella fund with segregated liability between sub-funds (each a "Fund", collectively the "Funds"). The Company's Articles of Association provide that the Company may offer separate classes of shares, each representing interests in a Fund, with each Fund comprising a separate and distinct portfolio of investments.

Subject to Central Bank approval, it is expected the Company and its Funds will commence trading during the fourth quarter of 2015.

## **Directors' Report**

The Board submit to the shareholders their report together with the audited financial statements of Company for the period from 9 July 2014 (date of incorporation of the Company) to 30 June 2015 (the "Period").

### **Business review, results and future developments**

The Company did not trade during the Period. Subject to Central Bank approval, it is expected that the Company and its Funds will commence trading during the fourth quarter of 2015.

### **Directors**

The name and nationality of persons who were Directors at any time during the Period or as of the date of this Report are as follows:

Sarah Cunniff (Irish) (resigned 19 January 2015)  
Kevin Murphy (Irish) (resigned 19 January 2015)  
Phillip Howard (Australian) (19 January to 25 May 2015)  
Tony Mc Poland (Irish) (from 19 January 2015)  
Kevin Molony (Irish) (from 19 January 2015)  
Stephen Menzies (Australian) (from 4 July 2015)

### **Transactions involving Directors**

The Directors are not aware of any contracts or arrangements of any significance in relation to the business of the Company in which the Directors had any interest as defined in the Companies Act 2014 at any time during the Period, other than those disclosed in note 6 in notes to the financial statements, Related party transactions.

### **Company Secretary**

Bradwell Limited held the office of company secretary for the entire Period.

### **Directors' and Company Secretary's interests**

With the exception of the subscriber shares held by Sarah Cunniff and Kevin Murphy, none of the Directors, their families or the company secretary hold or held any beneficial interest in the shares of the Company during the Period.

### **Dividends**

No dividends were declared, approved or paid during the Period.

### **Risk management objectives and policies**

As the Company had not commenced trading during the Period, the Company was not exposed to any significant risks. See note 5 to the financial statements for an analysis of risks faced by the Company during the Period. Details of certain of the risks applicable to the Company will be provided for in the Company's prospectus.

### **Significant events during the Period**

See note 8 in notes to the financial statements.

### **Significant events since the Period end**

See note 9 in notes to the financial statements.

## Directors' Report (continued)

### Statement of Directors' responsibilities

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with Irish law.

Irish law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS).

Under Irish law, the Directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the Company's assets, liabilities and financial position as at the end of the financial year and of the profit or loss of the Company for the financial year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS and ensure that they contain the additional information required by the Companies Act 2014; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the Company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy; and
- enable the Directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Accounting records

The measures taken by the Directors to secure compliance with the Company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at 78 Sir John Rogerson's Quay, Dublin 2, Ireland.

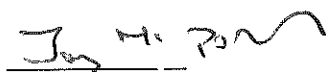
### Corporate governance statement

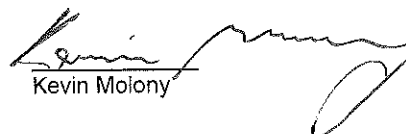
The Board has assessed the measures included in the Corporate Governance Code for Collective Investment Schemes as published by the Irish Funds Industry Association in December 2011 (the "IFIA Code"). The Board have voluntarily adopted all corporate governance practices and procedures in the IFIA Code with effect from 19 January 2015. The Company has been in compliance with the IFIA Code since its adoption.

### Independent auditors

The auditors, PricewaterhouseCoopers, Chartered Accountants and Statutory Audit Firm have indicated their willingness to continue in office in accordance with section 283 of the Companies Act 2014.

### On behalf of the Board of Directors

  
Tony Mc Poland

  
Kevin Moiony

Date: 18 September 2015



## ***Independent auditors' report to the members of Platinum World Portfolios plc***

### **Report on the financial statements**

#### *Our opinion*

In our opinion, Platinum World Portfolios plc's financial statements (the "financial statements"):

- give a true and fair view of the company's assets, liabilities and financial position as at 30 June 2015 and of its results and cash flows for the period then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

#### *What you have audited*

The financial statements comprise:

- the statement of financial position as at 30 June 2015;
- the statement of comprehensive income for the period then ended;
- the statement of cash flows for the period then ended;
- the statement of changes in equity for the period then ended; and
- the notes to the financial statements for the company which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and IFRSs as adopted by the European Union.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

### **Matters on which we are required to report by the Companies Act 2014**

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

### **Matter on which we are required to report by exception**

#### *Directors' remuneration and transactions*

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

*PricewaterhouseCoopers, One Spencer Dock, North Wall Quay, Dublin 1, Ireland, I.D.E. Box No. 137  
T: +353 (0) 1 792 6000, F: +353 (0) 1 792 6200, www.pwc.ie*



***Independent auditors' report to the members of Platinum World Portfolios plc continued.***

**Responsibilities for the financial statements and the audit**

*Our responsibility and those of the directors*

As explained more fully in the Statement of Directors' responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

*What an audit of financial statements involves*

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). 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 company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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.

Declan Murphy  
for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Dublin  
18 September 2015



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Platinum World Portfolios plc

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**Statement of Comprehensive Income**

for the period from 9 July 2014 (date of incorporation of the Company) to 30 June 2015

	<b>Notes</b>	<b>Company Total US\$</b>
Net foreign exchange losses on cash and cash equivalents	3	(42,060)
<b>Total comprehensive loss</b>		<u>(42,060)</u>

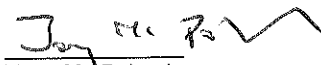
The Company did not trade during the period and received no income and incurred no expenditure. The net foreign exchange losses on cash and cash equivalents are recognised on the translation of the Capital Contribution of €300,000 as at 30 June 2015. Refer to note 3 to the financial statements for further details.

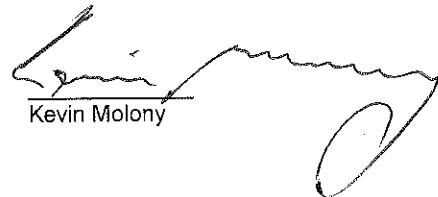
The accompanying notes form an integral part of these financial statements.

**Statement of Financial Position**  
as at 30 June 2015

	Notes	Company Total US\$
<b>Assets</b>		
Cash and cash equivalents	3	334,260
<b>Total assets</b>		<u>334,260</u>
<b>Equity</b>		
Capital contribution	4	376,320
Total comprehensive loss	3	<u>(42,060)</u>
<b>Total equity</b>		<u>334,260</u>

On behalf of the Board of Directors:

  
Tony McPoland

  
Kevin Molony

18 September 2015

The accompanying notes form an integral part of these financial statements

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Platinum World Portfolios plc

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**Statement of Changes in Equity**  
for the period from 9 July 2014 (date of incorporation) to 30 June 2015

	<b>Notes</b>	<b>Company Total US\$</b>
<b>Equity at the beginning of the period</b>		-
<b>Total comprehensive loss</b>		(42,060)
Capital contribution	4	<u>376,320</u>
<b>Equity at the end of the period</b>		<u><b>334,260</b></u>

The accompanying notes form an integral part of these financial statements.

**Statement of Cash Flows**

for the period from 9 July 2014 (date of incorporation) to 30 June 2015

	Notes	Company Total US\$
<b>Cash flows from operating activities</b>		
Cash paid for purchase of investments		-
Cash proceeds from sale of investments		-
Interest received		-
Dividends received		-
Expenses paid		-
<b>Net cash inflow from operating activities</b>		<u>-</u>
<b>Cash Flows from Financing Activities</b>		
Proceeds from issue of equity	4	376,320
<b>Net cash inflows from financing activities</b>		<u>376,320</u>
<b>Net increase in cash and cash equivalents held</b>		<b>376,320</b>
Cash and cash equivalents at beginning of the period		-
Effects of exchange rate changes on cash	3	(42,060)
<b>Cash and cash equivalents at the end of the period</b>		<u><u>334,260</u></u>

The accompanying notes form an integral part of these financial statements.

## Notes to the Financial Statements

### 1. Accounting policies

#### Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) interpretations as adopted by the European Union (EU) and those parts of the Companies Act 2014 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

#### Statement of compliance

These financial statements have been prepared in accordance with IFRS as adopted by the EU and the Companies Act 2014.

The principal accounting policies applied in the preparation of these financial statements are set out below.

#### Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Critical accounting estimates are those which involve the most complex or subjective judgements or assessments. The areas of the Company's business that typically require such estimates are the fair value of financial assets and liabilities, the Company's functional currency and presentation currency and estimations of the of the Company.

#### Functional and presentation currency

The functional currency of the Company for the Period is Euro. This was deemed the most appropriate currency of the Company for the Period due to the fact the sole asset of the Company is denominated in Euro. See note 3 to the financial statements for details of the composition of the Company's sole asset.

The Company's financial statements are presented in US\$, being the Company's presentation currency, which has also been chosen as the functional currency of all Funds once they commence trading, given that it would be most likely to be the working currency for the most potential investors in the Funds as it is expected the US\$ share classes of the Funds will principally comprise the net assets of the Funds.

Assets and liabilities denominated in foreign currencies are translated into US\$ at the closing rate at Period end.

Transactions denominated in foreign currencies are translated at the prevailing rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

#### Cash and cash equivalents

As at 30 June 2015 cash and cash equivalents are held with State Street Bank and Trust Company ("State Street").

#### Share Capital

##### i) Capital contribution

The Capital Contribution (as detailed below) does not form part of the net asset value of any Fund and does not participate in the assets of any Fund. The Capital Contribution is therefore accounted for at the Company level only in these financial statements and is recognised as equity at the Company level Statement of Financial Position and Statement of Changes in Equity. Cash, paid in Euro, received for the Capital Contribution is included in cash and cash equivalents on the Statement of Financial Position. The currency adjustment is recognised on the Company level Statement of Comprehensive Income, within net foreign exchange losses on cash and cash equivalents, and is due to the conversion of the Euro value of the Capital Contribution as of 20 November 2014, the date of payment of Capital Contribution, and 30 June 2015, the Statement of Financial Position date.

##### ii) Redeemable participating shares

The Company did not commence trading during the Period, nor did it issue any redeemable participating shares.

## Notes to the Financial Statements (continued)

### 2. Taxation

Under current law and practice the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. Accordingly, it is not generally chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a chargeable event in the Company. A chargeable event includes any distribution payments to shareholders, any encashment, redemption, cancellation or transfer of shares and the holding of shares at the end of each year beginning with the acquisition of such shares.

No Irish tax will arise on the Company in respect of chargeable events in respect of:

- a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the Company; and
- certain exempted Irish tax resident shareholders who have provided the Company with the necessary signed statutory declarations.

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not have been recoverable by the Company or its shareholders.

### 3. Cash and cash equivalents

All cash and cash equivalents, including overnight deposits at market rates, are held with State Street, which has a long term credit rating of Aa3 by Moody's as at 30 June 2015.

The cash and cash equivalents figure, recognised on the Statement of Financial Position, is comprised of the US\$ equivalent value, as of the Statement of Financial Position date, of the €300,000 received by the Company in respect of the Capital Contribution (as detailed below) received by the Company on 20 November 2014. The "net foreign exchange losses on cash and cash equivalents" recognised in the Statement of Comprehensive Income records the movement in conversion from EUR to US\$ as a result of movements in currency exchange rates, as noted in note 7 to the financial statements, as of 30 June 2015 to that of 20 November 2014. See Note 4 to the financial statements for further details on the Capital Contribution received by the Company.

### 4. Share capital

The share capital of the Company was at all times equal the net asset value of the Company. The Directors are empowered to issue up to five hundred billion (500,000,000,000) Shares of no par value in the Company at the net asset value per Share on such terms as they think fit. There are no rights of pre-emption upon the issue of Shares in the Company.

#### Subscriber shares

The Company issued 2 subscriber shares to the value of €2 on the date of incorporation of the Company. The subscriber shares do not participate in the assets of any Fund and are held by Kevin Murphy and Sarah Cunniff, former Directors of the Company and employees of the Company's legal advisers in Ireland.

The subscriber shares' entitlement is limited to the amount subscribed and accrued interest thereon. The subscriber shares entitle the Shareholders holding them to attend and vote at all meetings of the Company, but do not entitle the holders to participate in the dividends or net assets of any Fund or of the Company.

#### Capital contribution

The Company has a minimum capital requirement of €300,000. On 20 November 2014 Platinum Investment Management Limited ("Platinum") contributed capital of €300,000 (the "Capital Contribution") to the Company in order that the Company could satisfy the minimum capital requirement. This Capital Contribution is reflected in the US\$ equivalent value on the Statement of Changes in Equity using the US\$/EUR foreign exchange rate as of 20 November 2014 and on the Statement of Financial Position using the US\$/EUR foreign exchange rate as of 30 June 2015. The variance between the two foreign exchange rates results in a foreign currency loss as recognised in the Statement of Comprehensive Income. See note 7 to the financial statements for details of the respective foreign exchange rates used.

It is intended that the Company will repay the capital contribution of €300,000 upon the first issue of Shares after the initial offer period, provided that the Company at all times has minimum capital to the value of €300,000.

**Notes to the Financial Statements (continued)**

**5. Financial risk management objectives, policies and processes**

**(a) Market Price Risk**

Market price risk is the risk that the fair value of a financial instrument or its future cash flows will fluctuate because of changes in market prices other than those caused by interest rate risk or currency risk.

As the Company did not hold any investments at 30 June 2015, the Company's exposure to market price risk is negligible.

**(b) Credit Risk**

Credit risk relates to the risk of a counterparty defaulting on a financial obligation resulting in a loss to the Company.

As of 30 June 2015 the Company's exposure to credit risk is limited to cash and cash equivalents held with State Street.

As of 30 June 2015 State Street has a long term credit rating of Aa3 by Moody's rating agency.

**(c) Liquidity Risk**

Liquidity risk is the risk associated with the need to satisfy redeemable participating shareholders' requests for redemptions.

As the Company did not have any redeemable participating shareholders at 30 June 2015, the Company's exposure to liquidity risk is negligible.

**(d) Fair Value Hierarchy**

The Company classified fair value measurements using a fair value hierarchy that reflected the subjectivity of the inputs used in making measurements.

The fair value hierarchy had the following levels:

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

As at 30 June 2015 the Company's assets comprised of cash and cash equivalents, which were classified as Level 1.

**6. Related party transactions**

In accordance with IAS 24 "Related Parties Disclosures" the following note summarises the related parties and related party transactions during the Period.

**Transactions with entities with significant influence**

On 20 November 2014 Platinum lodged €300,000 to the bank account of the Company. Please refer to Note 4 for further details of the Capital Contribution.

All expenses relating to the establishment of the Company will be borne by Platinum.

The Directors are entitled to be paid a fee from the assets of the Company by way of remuneration for their services at a rate to be determined from time to time by the Directors, provided that the aggregate amount of Directors' remuneration in any one year shall not exceed €120,000 plus VAT (if applicable) or such other maximum amount as may be determined by the Directors and approved by the shareholders from time to time. The Directors are entitled to be reimbursed by the Company for all reasonable disbursements and out-of-pocket expenses incurred by them. No Director's fees were incurred by the Company during the Period.

Philip Howard was a director of Platinum and of the Company until 25 May 2015. Philip Howard did not receive a fee from the Company for his services as a Director of the Company.

**Notes to the Financial Statements (continued)**

**7. Exchange Rates**

The rates of exchange ruling at 30 June 2015 was:

US Dollar 1 =

Euro 0.8975

The rates of exchange ruling at 20 November 2014 (date of Capital Contribution) was:

US Dollar 1 =

Euro 0.7972

**8. Significant events during the Period**

The Company was incorporated on 9 July 2014 and Platinum contributed capital to the value of €300,000 on 20 November 2014.

Sarah Cunniff and Kevin Murphy resigned as Directors of the Company on 19 January 2015. Philip Howard resigned as a Director of the Company on 25 May 2015.

**9. Significant events since the Period end**

Stephen Menzies was appointed to the board of directors on 4 July 2015.

The Directors intend to submit a formal application to the Central Bank for approval of the Company and its Funds pursuant to the UCITS Regulations during the third or fourth quarter of 2015.

Subject to Central Bank approval, it is expected the Company and its Funds will commence trading during the fourth quarter of 2015.

**10. Approval of the financial statements**

The financial statements were approved by the Directors on 18 September 2015.