

# **INSYNC GLOBAL TITANS FUND**

**ARSN 165 786 390**

**GENERAL PURPOSE FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

**OneVue RE Services Limited**

**Level 5, 10 Spring Street  
Sydney, NSW 2000  
ABN 94 101 103 011**

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GENERAL PURPOSE FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

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## Directors' report

The directors of OneVue RE Services Limited, the Responsible Entity of the Insync Global Titans Fund, present their report together with the financial statements of the Insync Global Titans Fund (the "Fund"), for the half-year ended 31 December 2015.

### Directors

The following persons held office as directors of OneVue RE Services Limited during or since the end of the half-year and up to the date of this report:

Director	Period of directorship
Nigel Cameron Stokes	Appointed 8 October 2014
Brett Marsh	Appointed 13 February 2015
Robert Joseph Brown	Appointed 23 March 2016
Karen Nita Gibson	Appointed 23 March 2016
Lisa Jane McCallum	Appointed 16 March 2015, resigned 23 March 2016
Alexander Wise	Appointed 23 May 2013, resigned 23 March 2016

### Fund Information

The Fund is an Australian Registered Scheme.

OneVue RE Services Limited is incorporated and domiciled in Australia. The registered office of the Responsible Entity is located at Level 5, 10 Spring Street, Sydney, NSW 2000.

### Principal activities

The Fund is a registered managed investment fund domiciled in Australia.

The Fund invests in shares of companies listed on stock exchanges around the world. The Fund may also hold cash, derivatives (for example futures, options, swaps), currency contracts, American Depository Receipts (ADRs) and Global Depository Receipts (GDRs). The Fund may also invest in various types of international pooled investment vehicles.

The Fund aims to provide income distributions to investors, combined with long-term capital growth through investment in international shares and other securities.

### Review of Results and Operations

The results of the operations of the Fund are disclosed in the Statement of Profit or Loss and Other Comprehensive Income of the financial report. The Fund derived a net profit attributable to unitholders of \$238,791 for the half-year ended 31 December 2015 (31 December 2014: net profit \$2,013,739).

### Distributions

No distributions were paid or payable by the Fund for the half-year ended 31 December 2015 (31 December 2014: Nil).

### Significant changes in state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Fund that occurred during the financial half-year under review.

### Matters subsequent to the end of the financial half-year

Since 31 December 2015 there has been no matter or circumstance not otherwise dealt with in the financial statements that has significantly affected or may significantly affect the Fund.

**Directors' report (continued)**

**Auditor's independence declaration**

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4.

Signed in accordance with a resolution of the Board of Directors of OneVue RE Services Limited, the Responsible Entity made pursuant to Section 306(3) of the *Corporations Act 2001*.

On behalf of the Directors of OneVue RE Services Limited, the Responsible Entity.



**Brett Marsh**  
Director, OneVue RE Services Limited

Dated 18 May 2016

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**Auditor's Independence Declaration  
to the Directors of OneVue RE Services Limited  
the Responsible Entity of Insync Global Titans Fund**

As lead auditor for the review of Insync Global Titans Fund for the half-year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been:

- a. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b. no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Insync Global Titans Fund during the period.

**Pitcher Partners**  
Sydney



**Chris Chandran**  
Partner

Dated in Sydney, 18<sup>th</sup> of May 2016.

**Statement of profit or loss and other comprehensive income**

	Notes	31 December 2015 \$	31 December 2014 \$
<b>Investment income</b>			
Net realised gains on sale of financial instruments held at fair value through profit or loss		355,265	156,260
Unrealised gains on revaluation of financial instruments held at fair value through profit or loss		135,756	2,071,425
Net realised (losses)/gains on foreign exchange		(118,840)	21,315
Net unrealised losses on foreign exchange		(58,664)	(2,583)
Dividend/trust distribution income		179,120	135,338
Interest income		10,113	10,262
Other income		1,810	2,181
<b>Total investment income</b>		<b>504,560</b>	<b>2,394,198</b>
<b>Expenses</b>			
Management fees		198,208	117,868
Performance fees		9,753	206,820
Legal and professional fees		6,501	5,225
Withholding tax expense		14,929	8,980
Transaction costs		35,953	39,735
Other operating expenses		425	1,831
<b>Total expenses</b>		<b>265,769</b>	<b>380,459</b>
<b>Operating profit for the half-year</b>		<b>238,791</b>	<b>2,013,739</b>
<b>Finance costs attributable to unitholders</b>			
Distributions to unitholders		-	-
Increase in net assets attributable to unitholders	2	(238,791)	(2,013,739)
<b>Profit for the half-year</b>		<b>-</b>	<b>-</b>
Other comprehensive income for the half-year		-	-
<b>Total comprehensive income for the half-year</b>		<b>-</b>	<b>-</b>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

**Statement of financial position**

	Notes	31 December 2015 \$	30 June 2015 \$
<b>Assets</b>			
Cash and cash equivalents		4,573,118	1,679,655
Receivables		62,643	2,391,344
Financial assets held at fair value through profit or loss	3	26,278,320	22,040,002
<b>Total assets</b>		<b>30,914,081</b>	<b>26,111,001</b>
<b>Liabilities</b>			
Payables		45,349	478,341
Distributions payable		-	773,885
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>45,349</b>	<b>1,252,226</b>
<b>Net assets attributable to unitholders - liability</b>	2	<b>30,868,732</b>	<b>24,858,775</b>

The above statement of financial position should be read  
in conjunction with the accompanying notes.

**Statement of changes in net assets attributable to unitholders**

	<b>31 December 2015 \$</b>	<b>31 December 2014 \$</b>
<b>Total equity at the beginning of the financial half-year</b>	-	-
Profit/(loss) for the half-year	-	-
Other comprehensive income for the half-year	-	-
Total comprehensive income for the half-year	-	-
Transactions with owners in their capacity as owners	-	-
<b>Total equity at the end of the financial half-year</b>	-	-

In accordance with AASB 132 *Financial Instruments: Presentation*, net assets attributable to unitholders is classified as a liability rather than equity. As a result there was no equity at the start or end of the half-year.

**Statement of cash flows**

	<b>31 December 2015</b>	<b>31 December 2014</b>
	\$	\$
<b>Cash flows from operating activities</b>		
Proceeds from maturity/sales of financial instruments held at fair value through profit or loss	7,682,308	4,360,661
Purchase of financial instruments held at fair value through profit or loss	(9,099,855)	(7,260,136)
Dividend/trust distributions received	194,649	125,180
Interest received	10,114	10,260
Other income received	1,807	2,181
Net (payments)/receipts on foreign exchange activities	(94,984)	93,802
Management and performance fees paid	(641,154)	(113,002)
Transaction costs paid	(35,953)	(39,735)
Other expenses paid	(8,431)	(8,110)
<b>Net cash outflow from operating activities</b>	<b>(1,991,499)</b>	<b>(2,828,899)</b>
<b>Cash flows from financing activities</b>		
Proceeds from applications by unitholders	7,368,154	4,210,220
Payments for redemptions by unitholders	(1,675,802)	(352,519)
Distributions paid	(724,870)	(472,452)
<b>Net cash inflow from financing activities</b>	<b>4,967,482</b>	<b>3,385,249</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,975,983</b>	<b>556,350</b>
Cash and cash equivalents at beginning of the half-year	1,679,655	2,403,884
Effect of exchange rate fluctuations on cash	(82,520)	(75,070)
<b>Cash and cash equivalents at end of the half-year</b>	<b>4,573,118</b>	<b>2,885,164</b>

The above statement of cash flows should be read  
in conjunction with the accompanying notes.

## 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated in the following text.

### Basis of Preparation

The half-year financial report is a general purpose financial report, which has been prepared in accordance with the Fund Constitution and AASB 134 *Interim Financial Reporting*, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the requirements of the *Corporations Act 2001*.

The half-year financial report does not include all notes of a type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the income and expenses, financial position and cash flows of the Fund as the full financial report. The half-year financial report should be read in conjunction with the 30 June 2015 financial report and any public announcement in respect of the Fund during the interim reporting period.

The half-year financial report has been prepared in accordance with the historical cost convention, as modified by the revaluation of financial assets held for trading at fair value with changes in fair value recognised through the Statement of Profit or Loss and Other Comprehensive Income.

The accounting policies of the Fund are consistent with those of the most recent annual financial statements.

## 2 UNITS ON ISSUE

The movement in the number of units on issue during the half-year was as follows:

	<b>1 July 2015 to 31 December 2015 \$</b>	<b>1 July 2015 to 31 December 2015 Units</b>	<b>1 July 2014 to 31 December 2014 \$</b>	<b>1 July 2014 to 31 December 2014 Units</b>
Opening balance as at 1 July	24,858,775	15,477,708	15,885,049	11,407,530
Applications	7,368,471	4,420,912	4,145,970	2,735,707
Redemptions	(1,676,003)	(995,918)	(353,010)	(249,712)
Units issued upon reinvestment of distributions	78,698	49,015	64,250	46,140
Increase in net assets attributable to unitholders	238,791	-	2,013,739	-
Closing balance as at 31 December	<b>30,868,732</b>	<b>18,951,717</b>	<b>21,755,998</b>	<b>13,939,665</b>

## 3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

### Fair value measurement

Financial instruments carried at fair value are categorised under a three level hierarchy, reflecting the availability of observable market inputs when estimating the fair value. If different levels of inputs are used to measure a financial instrument's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. The three levels are:

Level 1: Valued by reference to quoted prices in active markets for identical assets or liabilities. These quoted prices represent actual and regularly occurring market transactions on an arms length basis.

### 3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### Fair value measurement (continued)

Level 2: Valued using 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), including: quoted prices in active markets for similar assets or liabilities, quoted prices in markets in which there are few transactions for identical or similar assets or liabilities, and other inputs that are not quoted prices but are observable for the asset or liability.

Level 3: Valued in whole or in part using valuation techniques or models that are based on unobservable inputs that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Unobservable inputs are determined based on the best information available, which might include the Fund's own data, reflecting the Fund's own assumptions about the assumptions that market participants would use in pricing the asset or liability. Valuation techniques are used to the extent that observable inputs are not available.

The following table shows an analysis of financial instruments held at the balance date, recorded at fair value by level of the fair value hierarchy:

At 31 December 2015	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Assets</b>				
<b>Designated at fair value through profit or loss</b>				
Listed equities	26,001,862	-	-	26,001,862
<b>Held for trading</b>				
Derivatives (options)	-	276,458	-	276,458
<b>Total assets</b>	<b>26,001,862</b>	<b>276,458</b>	<b>-</b>	<b>26,278,320</b>
<hr/>				
At 30 June 2015	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Assets</b>				
<b>Designated at fair value through profit or loss</b>				
Listed equities	22,018,882	-	-	22,018,882
<b>Held for trading</b>				
Derivatives (options)	-	21,120	-	21,120
<b>Total assets</b>	<b>22,018,882</b>	<b>21,120</b>	<b>-</b>	<b>22,040,002</b>

### 4 DISTRIBUTIONS PAID AND PAYABLE

The Fund did not have any distributions paid/payable during the half-year ended 31 December 2015 (31 December 2014: \$nil).

### 5 COMMITMENTS AND CONTINGENCIES

The Fund did not have any commitments or contingent liabilities as at 31 December 2015 (30 June 2015: Nil)

**6 EVENTS SUBSEQUENT TO BALANCE DATE**

Since 31 December 2015, there have been no matters or circumstances not otherwise dealt with in the Financial Report that have significantly affected or may significantly affect the Fund.

**7 FUND INFORMATION**

The financial report of the Fund for the half-year ended 31 December 2015 was authorised for issue in accordance with a resolution of the Directors of OneVue RE Services Limited on the 18th day of May 2016.

OneVue RE Services Limited, the Responsible Entity of the Fund, is incorporated and domiciled in Australia. The registered office of the Responsible Entity is located at Level 5, 10 Spring Street, Sydney NSW 2000.

**Directors' declaration**

The Directors of OneVue RE Services Limited, the Responsible Entity of Insync Global Titans Fund, declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable; and
- (b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standard AASB 134 *Interim Financial Reporting* and giving a true and fair view of the financial position and performance of the Fund for the half-year ended on that date.

Signed in accordance with a resolution of the Directors of the Responsible Entity, made pursuant to section 303(5) of the *Corporations Act 2001*.

On behalf of the Directors



**Brett Marsh**  
Director, OneVue RE Services Limited

Dated 18 May 2016

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## **Independent Auditor's Review Report to the Unitholders of Insync Global Titans Fund**

### **Report on the Half-year Financial Report**

We have reviewed the accompanying half-year financial report of Insync Global Titans Fund ("the Fund"), which comprises the statement of financial position as at 31 December 2015, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of significant accounting policies, other selected explanatory notes and the directors' declaration of the entity.

### **Directors' Responsibility for the Half-Year Financial Report**

The directors of the responsible entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *"Review of an Interim Financial Report Performed by the Independent Auditor of the Entity"*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporation Act 2001* including: giving a true and fair view of the entity's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *"Interim Financial Reporting"* and the *Corporations Regulations 2001*. As the auditor of Insync Global Titans Fund, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of the half-year financial report consists of making enquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

## Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Insync Global Titans Fund is not in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.



**Pitcher Partners**

Sydney



**Chris Chandran**

Partner

Dated in Sydney, 18<sup>th</sup> of May 2016.