KAIZEN GLOBAL
Investments

FORM: Half yearly/preliminary final report

Name of *issuer*

Kaizen Global Investments Limited

ACN or ARBN	Half yearly (tick)	Preliminary final (tick)	Half year/financial year ended ('Current period')
602 033 670		✓	

Appendix 4E

NSX Preliminary final statements for the reporting period ended 30 June 2015

Results for announcement to the market: Unaudited preliminary Final Report

The results for this preliminary final report are for the period incorporation date 26 September 2014 to 30 June 2015.

Comparative results for the 2014 year are not relevant as Kaizen Global Investments did not exist.

$AUD	2014	2015	Change
Revenue from ordinary activities	n/a	(19,137)	n/a
Profit (loss) from ordinary activities before tax	n/a	(38,219)	n/a
Profit (loss) from ordinary activities after tax	n/a	(27,912)	n/a

Dividends	Current period	Previous corresponding period
Franking rate applicable: n/a	n/a	n/a
Final dividend *(preliminary final report only)(item 10.13-10.14)*	n/a	n/a
Amount per *security*	n/a	n/a
Franked amount per *security*	n/a	n/a
Interim dividend *(Half yearly report only) (item 10.11 –10.12)*	n/a	n/a
Amount per *security*	n/a	n/a
Franked amount per *security*	n/a	n/a

Net Tangible Asset Backing cents Per Share (Post Tax)	30 June 2015	Previous corresponding period
	97.29	n/a

Significant Features of Operating Performance

During the period, the Company continued to invest funds in accordance with its aims.

Total comprehensive income/(loss) for the reporting period ended 30 June 2015 was ($19,137) (2014: n/a as not in operation). Total comprehensive income includes the profit/(loss) after tax and both realised and unrealised gains/(losses) on the Company's investments.

The Company's profit/(loss) before income tax for the reporting period was ($38,219) (2014: n/a).

The profit/(loss) after income tax for the reporting period was ($27,912) (2014: n/a)..

Basic earnings per share after income tax was loss of 1.25 cents (2014: n/a) for the reporting period.

There have been no distributions or buy backs by the Company during the period.

Significant Impacts on Future Performance

The results of the Company's operations may be affected by a number of factors, including the performance of investment markets in which the Company invests. Investment performance is not guaranteed and future results may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

PRELIMINARY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD FROM INCORPORATION TO 30 JUNE 2015

	Note	2015
Income from deposits	4	5,278
Income from dividends	4	7,097
Net changes to net fair value of investments	5	(31,512)
Total income from ordinary activities		(19,137)
Administration expenses	6	19,082
Operating (loss) before income tax		(38,219)
Income tax benefit relating to ordinary activities	7	10,307
Profit/ (loss) attributable to members of the company		(27,912)
Other comprehensive income for the financial period		-
Total comprehensive income for the financial period		(27,912)
Loss per share		
Basic loss per share (cents per share)	13	1.25
Diluted loss per share (cents per share)	13	1.25

The accompanying notes form part of these financial statements.

PRELIMINARY STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2015

	Note	2015
		$
Cash and cash equivalents	8	205,735
Trade and other receivables	9	60,790
Financial assets	10	1,901,337
Deferred tax assets	11	22,995
TOTAL ASSETS		**2,190,857**
LIABILITIES		
Trade and other payables	12	14,395
Deferred tax liabilities	11	-
TOTAL LIABILITIES		**14,395**
NET ASSETS		**2,176,462**
EQUITY		
Issued capital	14	2,204,374
Accumulated losses		(27,912)
TOTAL EQUITY		**2,176,462**

The accompanying notes form part of these financial statements.

PRELIMINARY STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015

	Issued capital	**Accumulated losses**	**Total**
	$	**$**	**$**
Issued (Net of Costs)	2,204,374	0	2,204,374
Less: Loss for the period		27,912	27,912
Balance at 30.06.2015	**2,204,374**	**(27,912)**	**2,176,462**

PRELIMINARY STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2015

	Note	2015 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received		5,866
Dividends Received		2,643
Payments to suppliers		(9,950)
Bank charges		(50)
Net cash used in operating activities	**17**	(1,492)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases to acquire financial assets		(2,210,869)
Sales of Financial Assets		212,191
Net cash used in investing activities		(1,998,678)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of Shares		2,237,001
Capital raising costs		(48,312)
Loan From Related Parties		799
Net cash provided by/ (used in) financing activities		2,189,488
Net increase/(decrease) in cash held		**189,318**
Cash at beginning of period		-
Effect of Exchange Rate Changes		16,417
Cash at end of period	**8**	205,735

The accompanying notes form part of these financial statements.

1. INCORPORATION AND ACTIVITIES

Kaizen Global Investments Limited is a Listed Investment Company incorporated under the Corporations Act 2001 (**the Corporations Law**) on 26 September 2014. The principal activity of the Company is to generate long-term capital appreciation while preserving capital. The Company invests substantially in global listed equities.

Kaizen Capital Pty Ltd is the investment manager of the Company (**the Investment Manager**).

2. BASIS OF PREPARATION

The financial Statements are general purpose financial statements which have been prepared in accordance with the Corporations Act 2001 and Accounting Standards and Interpretations, and other laws that apply

Accounting Standards include Australian equivalents to International Financial Reporting Standards (A-IFRS). Compliance with A-IFRS ensures that the financial statements and notes of the company comply with International Financial Reporting Standards (IFRS)

All Amounts are presented in Australian dollars unless otherwise noted.

The preliminary financial statements of the Company for the period ended 30 June 2015 were approved by the Directors on 13 September 2015.

3 SUMMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New and amended standards and interpretations effective as of 1 July 2015

This is the first year the Company has prepared Financial Statements.

The Company has not applied any Australian Accounting Standard or AASB132 interpretations that have been issued at Balance Date but not yet operative for the period ended 30th June 2015. The impact of such standards is immaterial. The company will adopt new standards and interpretations when they become mandatory.

The financial statements are prepared using the valuation methods described below for holdings of securities. All other items have been treated in historical cost conventions.

a) Financial instruments

Financial instruments are classified as financial assets and financial liabilities at FVTPL in accordance with ASSB 139 "Financial Instruments: Recognition and Measurement". The category of financial assets and financial liabilities at fair value through profit or loss is sub-divided into:

Financial instruments held-for-trading: Financial assets held-for-trading include equity securities and derivatives. These assets are acquired principally for the purpose of generating a profit from active trading and short-term fluctuation in price. All derivative instruments are classified as held for-trading. Derivative financial instruments entered into by the Company do not meet the hedge accounting criteria as defined by AASB139. Consequently, hedge accounting is not applied by the Company.

Financial instruments designated as at FVTPL upon initial recognition: These include equity securities and debt instruments that are not held-for-trading. These financial assets are designated on the basis that they are part of a group of financial assets which are managed and have their performance evaluated on a fair value basis, in accordance with risk management and investment strategies of the Company. The financial information about these financial instruments is provided internally on that basis to the Investment Manager and to the Board of Directors.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed and determinable payments that are not quoted in an active market. Loans and receivables in the financial statements comprise of balances with banks.

Recognition and Measurement

Financial assets and financial liabilities are initially recognised at cost, being the fair value of the consideration given. All transaction costs for such instruments are recognised in the statement of profit and loss and other comprehensive income. After initial recognition, these investments are remeasured at fair value with both realised and unrealised gains and losses recorded in the statement of profit and loss and other comprehensive income in "income from financial assets and financial liabilities at FVTPL".

Loans and receivables that are not quoted in an active market are stated at original invoice amount less an allowance for any impaired amounts. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR), less impairment. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the carrying amount of the financial asset or liability.

Trade Date

All "regular way" purchases and sales of financial assets are recognised on the trade date, i.e. the date the Company commits to purchase or sell the asset.

Realised gains and losses on investments are calculated by reference to the net proceeds received on disposal and the average cost attributable to those investments. Unrealised gains and losses are calculated by reference to the fair value and average cost attributable to those investments.

Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

(i) the rights to receive cash flows from the asset have expired;

(ii) the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay the cash flows received in full without material delay to a third party under a 'pass through' arrangement;

(iii) the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities at FVTPL is determined by reference to quoted market bid prices for financial assets and ask prices for financial liabilities at the close of business on the statement of financial position date.

Impairment

The Company assesses at each reporting date whether a financial asset or group of financial assets classified as loans and receivables is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is an objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtor, or a group of debtors, is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and, where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred) discounted using the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the toss is recognised in profit or loss as a credit loss expense.

b) Cash and cash equivalents

For the purposes of statement of cash flows, cash and cash equivalents comprise of balances with banks, which have original maturities of less than ninety days. Cash and cash equivalents are short-term highly liquid assets that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

c) Accrued expenses

Liabilities are recognised for amounts to be paid in the future for services received, whether billed or not. Accrued expenses are initially recognised at fair value and subsequently stated at amortised cost using the effective interest method.

d) Functional and presentation currency

Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into $AUD at the rate of exchange prevailing at the statement of financial position date. Any gains or losses on translation of monetary assets and liabilities are taken to Recognition and Measurement

Translation gains or losses on investments at FVTPL are included in the statement of comprehensive income under net loss on financial assets and financial liabilities at FVTPL.

e) Interest income and expense

Interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability.

f) Dividend income

Dividend is recognised when the right to receive the dividend is established.

g) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. Income and expenses are offset in the statement of profit and loss and other comprehensive income when it reflects the substance of the transaction or other event.

h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Unless included in the effective interest calculation, fees and commission expenses are recognised on an accrual basis. Legal and audit fees are included within ‘general and administrative expenses’.

i) Net assets attributable to holders of Participating Shares

AASB132 “Financial Instruments: Presentation” requires entities that issue financial instruments to classify such instruments as liabilities or equity in accordance with the substance of the contractual arrangement and the definitions contained within AASB132of a financial liability and equity instrument.

The issued by the Company provide the participating shareholders with the right to redeem their shares for cash equal to their proportionate share of the net asset value of the Company. Also, the private placement memorandum ("PPM") allows the Company to issue multiple classes of shares with varying terms on fees and redemption. As such, within the context of AASB132, the Participating Shares issued by the Company are classified as financial liabilities.

The liability to participating shareholders is presented in the statement of financial position as net assets attributable to holders of Participating Shares" and is determined based on the residual assets of the Company after deducting the Company's other liabilities.

j) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price or binding dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. Securities defined in these accounts as 'listed' are traded in an active market.

Where the Company has financial assets and financial liabilities with offsetting positions in market risks or counterparty credit risk, it has elected to use the measurement exception provided in IFRS 13 to measure the fair value of its net risk exposure by applying the bid or ask price to the net open position as appropriate.

For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

k) Significant accounting judgments and estimates

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts recognised in the financial statements and disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements:

Going concern

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Functional currency

The primary objective of the Company is to generate returns in Australian Dollars ("AUD"), The operation of the Company is managed on a day-to-day basis in AUD The Company's performance is evaluated in AUD. Therefore, the management considers the AUD as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

Estimates and assumptions

The key assumption concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is discussed below. The Company based its estimates and assumptions on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Fair value of financial instruments

When the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

The Company's investment in contract for difference requires inputs to the models in order to estimate the fair value of these financial instruments. The valuations of these instruments are provided by the broker considering liquidity and other inputs such as credit risk, correlation and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments in the statement of financial position. The Directors and management believe that the estimates utilised in arriving at the fair value of these financial instruments are reasonable and prudent; however, actual results could differ from these estimates

	2015
	$
NOTE 4: OPERATING PROFIT BEFORE INCOME TAX EXPENSE	
Income from deposits	
Interest received	5,278
Total income from deposits	**5,278**
Income from dividends	
Dividends income	7,097
Total income from dividends	**7,097**
Total revenue	**12,375**
NOTE 5: NET FAIR VALUE FROM INVESTMENTS	
Realised gain/loss	(16,121)
Unrealised gain/loss	(15,391)
	(31,512)
NOTE 6: ADMINISTRATION EXPENSES	
Accountancy fees	1,719

Auditor's remuneration	5,000
Nomad	513
Management fee	9,457
Share registry fees	2,343
Other expenses	50
Total administration expenses	**19,082**

NOTE 7: INCOME TAX EXPENSE	**2015**
The components of tax expense comprise	**$**
Increase in deferred tax liabilities - other	
(Increase) in deferred tax assets - other	22,995
Tax on equity	(12,688)
	10,307

NOTE 8: CASH AND CASH EQUIVALENTS

Cash at bank	205,735
Deposits at call	-
	205,735

All cash investments are invested with Authorised Deposit Taking Institutions. Only part of the deposits are guaranteed by the Commonwealth of Australia. The credit risk exposure of the company in relation to cash and cash equivalents is the carrying amount and any unpaid accrued interest.

NOTE 9: TRADE AND OTHER RECEIVABLES

Dividends receivable	4,455
Prepaid expenses	2,750
Due from Broker	49,410
Goods and services tax refund	4,175
	60,790

Receivables are non-interest bearing and unsecured. The credit risk exposure of the company in relation to receivables is the carrying amount. At the reporting date none of the trade and other receivables are past due.

NOTE 10: FINANCIAL ASSETS

Measured at fair value through profit or loss	**1,901,337**

Financial Assets are exchange traded securities (equities and options). The credit risk exposure of the company in relation to Financial Assets is the carrying amount.

NOTE 11: DEFERRED TAX ASSET AND LIABILITIES

The deferred tax asset is made up of the following estimated tax benefits	
- Tax losses	5,690
- Temporary differences	17,305
	22,995
Deferred tax liabilities attributable to:	
- Temporary differences	-
- Deferred capital gains tax	-
	-

NOTE 12:TRADE AND OTHER PAYABLES	**2015**
	$
Interest	588
Management fee payable	5,149
Administration fees payable	194
Audit fee payable	5,000
Listing Fees Payable	2,515
Other payables	949
	14,395

NOTE 13: LOSS PER SHARE

Weighted average number of ordinary shares used in the calculation of basic earnings per share	2,237,001
Weighted average number of options outstanding	2,237,000
Weighted average number of ordinary shares used in calculation of dilutive earnings per share	2,237,001
	$
Profit/ (loss)Loss attributable to members of the company	(27,912)
	Cents

a.	Basic loss per share	1.25
b.	Diluted loss per share	1.25

NOTE 14: ISSUED CAPITAL AND OPTIONS

Shares

Movements in issued capital of the company during the financial period were as follows:

Date	**Details**	**Ordinary Shares**	**Price**	**Issued Capital**
		No.	**$**	**$**
26.09.14	At incorporation	-	-	-
27.02.15	Issue	2,237,001	1	2,237,001
19.03.15	Issue Costs (Net)			(32,627)
30.06.15	**Balance**	**2,237,001**		**2,204,374**

All ordinary shares rank equally inter se for all purposes of participation in profits or capital of the company.

No Options have been exercised in the financial period.

Changes to the then Corporations Law abolished the authorised capital and par value concept in relation to share capital from 1 July 1998. Therefore, the company does not have a limited amount of authorised capital and does not calculate a par value for issued shares.

Options

Movements in issued options during the financial year were as follows:

Date	**Details**	**Options**	**Price**	**Issued Capital**
			$	**$**
At incorporation		-	-	-
27.2.15	Issue	2,237,001	-	-
		-	-	-
30.06.15	**Balance**	**2,237,001**		**-**

The Options entitle the holder to the issue of one ordinary share upon payment to the company of $1.00 at any time up to 27th February 2016 at the reporting date none of the options had been exercised.

NOTE 15: AUDITOR'S REMUNERATION	**2015**
Remuneration of the auditor of the company for:	**$**
Auditing and reviewing the financial reports	5,000

NOTE 16: SEGMENT REPORTING

(a) Description of segments

The Board makes the strategic resource allocations for the Company. The Company has therefore determined the operating segments based on the reports reviewed by the Board, which are used to make strategic decisions.

The Board is responsible for the Company's entire portfolio of investments and considers the business to have a single operating segment. The Board's asset allocation decisions are based on a single, integrated investment strategy, and the Company's performance is evaluated on an overall basis.

(b) Segment information provided to the Board

The internal reporting provided to the Board for the Company's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of Australian Accounting Standards.

The Board considers the Company's net asset backing per share after tax to be a key measure of the Company's performance.

	Cents
Net asset backing per share	97.29

NOTE 17 CASH FLOW INFORMATION

a. Reconciliation of cash flow from operations with loss after income tax	**$**
Profit/ (loss) after income tax	(27,912)
Changes to net fair value of investments	31,512
(Increase)/decrease in trade and other receivables	(8,370)
Increase/(decrease) in trade payables and accruals	13,585
(Increase)/decrease in taxes payable	(10,307)
Cash flow from operations	**(1,492)**

NOTE 18: RELATED PARTY TRANSACTIONS

Transactions with related parties:

Related party	**Ordinary Shares**
Kaizen Capital Pty Ltd	305,000

NOTE 19: FINANCIAL RISK MANAGEMENT

Risk is inherent in the Company's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Company's continuing profitability. The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors is responsible for overall management of these risks. The Investment Manager's objective is to assess, continuously measure and manage the risks of the portfolio, according to the investment objective; the investment policy and the overall risk profile of the Company.

The nature and extent of the financial instruments outstanding at the statement of financial position date and the risk management policies employed by the Company are discussed below.

(a) Market risk

Market risk arises from fluctuations in equity prices, interest rates and foreign exchange rate.

(i) Price risk

All investments present a risk of loss of capital. The Investment Manager moderates this risk through a careful selection of securities and other financial instruments within specified limits. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments. The Company's overall market positions are monitored on a regular basis by the Company's Investment Manager.

The Company's financial assets and financial liabilities at FVTPL are susceptible to market price risk arising from uncertainties about future prices of the instruments.

Price risk sensitivity

The Manager's best estimate of the impact on operating profit and shareholders equity due to a reasonably possible change in equity indices, with all other variables held constant is indicated in the following table. In practice, the actual trading results may differ from the sensitivity analysis below and the difference could be material. An equivalent decrease in each of the indices shown below would have resulted in an equivalent, but opposite, impact.

Financial assets at FVTPL	% change in market price	Impact on operating profits/Shareholders equity (AUD)	Impact in % on operating profits/Shareholders equity
FTSE 100 Index	+5%	14,563	0.73%
S&P 500	+5%	63,253	3.18%
Hang Seng Index	+5%	5,513	0.28%
S&P/ASX 200	+5%	1,482	0.07%
Swiss market	+5%	6,969	0.35%
Norwegian market	+5%	4,212	0.21%
Canada	+5%	1,184	0.06%
Sweden	+5%	7,269	-0.38%
Total change if all indices moved	+5%	104,445	4.50%

(a) Market risk (continued)

(ii) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of the financial instruments. The Company is exposed to interest rate risk only on its balances with banks.

The sensitivity of the Company's profit or loss for the year and the net assets attributable to holders of Participating Shares to a reasonably possible change in interest rates by 25 basis points, with all other variables held constant would have resulted in increase in interest income of AUD 514.

A decrease by 25 basis points would result in an equal but opposite effect on interest income to the figure shown above, on the basis that all other variables remain constant.

(iii) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument denominated in foreign currencies may be affected favourably or unfavourably by fluctuations in currency rates.

The table below indicates the currencies to which the Company had significant exposure at 30 June 2015. The analysis discloses the Investment Manager's best estimate of the effect of a reasonably possible movement of 5% weakening of the Australian dollar against the listed currencies held, with all other variables held constant on the operating profits/Shareholders equity.

Net Currency holding	% change in Australian dollar	Impact on operating profits/Shareholders equity (AUD)
CAD	5%	(136)
CHF	5%	6,892
EUR	5%	(9)
GBP	5%	15,091
HKD	5%	(288)
NOK	5%	89
SEK	5%	(843)
USD	5%	54,105

A strengthening of the Australian dollar by 5% would be expected to have the opposite effect to the table.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company invests its assets in investments that are traded in an active market and can be readily disposed of. The Company’s quoted securities are considered readily realisable. The Investment Manager monitors the Company’s liquidity position on a daily basis. Credit and liquidity risks are measured prior to making an investment and during the holding period, and is reviewed whenever risk parameters might change or be impacted by internal or external events.

(i) Maturities of non-derivative financial liabilities

	Less than 1 MONTHS	1-6 MONTHS	6-12 MONTHS	Over 12 MONTHS	TOTAL
30 June 2015	$	$	$	$	$
Payables	5,931	8,464	-	-	14,395
Contractual cash flows (excluding derivatives)	5,931	8,464	-	-	14,395

(c) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge a financial obligation and cause the other party to incur a financial loss. The main concentration of credit risk, to which the Company is exposed, arises from cash and cash equivalents and amounts due from brokers balances. None of these assets are impaired or past their due date. The maximum exposure to credit risk at the reporting date is the carrying amount disclosed in the Statement of Financial position.

The Company has a policy to maintain balances with reputed banks and brokers to minimise the counterparty risk. Credit risk is measured by the Investment Manager prior to making an investment and during the holding period, and is reviewed whenever risk parameters might change or be impacted by internal or external events.

Substantially all of the assets of the Company are held by the custodian. Bankruptcy or insolvency of the custodian may cause the Company's rights with respect to securities held by the custodian to be delayed or limited. The Company monitors its risk by monitoring the credit quality and financial positions of the custodian the Company uses.

The Standard and Poor's credit rating on the company's counterparties as 30 June 2015 are:

- Interactive Brokers LLC: BBB+ Outlook stable
- St. George bank Ltd (Westpac Group): AA- Outlook stable

(d) Capital Management

The Company's objective in managing capital and investment is to maximize compound after-tax returns for shareholders by investing in a predominantly global equity portfolio. The Company recognises that its capital position and market price will fluctuate with market conditions, and in order to adjust the capital structure it may vary the amount of dividends paid, issue new shares or options from time to time or buy back its own shares.

A breakdown of the Company's equity and changes in equity during the current year is provided in note 14: Issued capital and options.

NOTE 20: DIRECTORS AND EXECUTIVES DISCLOSURE

In accordance with the Corporations Amendments Regulation 2005 (No 4) the company has transferred the disclosure required by AASB 1046 from the notes to the Financial Statements to the Directors' Report under the heading of Remuneration Report.