

ACCESS PCP LIMITED

**REPORT OF THE DIRECTORS
AND FINANCIAL STATEMENTS**

**FOR THE PERIOD FROM 1 OCTOBER 2018
TO 25 JUNE 2019 (DATE OF CESSATION OF OPERATIONS)**



ACCESS
Investment Management



RANKIN BERKOWER (CAYMAN) LTD

Certified Public Accountants and Consultants

AN AFFILIATE FIRM OF BERKOWER LLC

NEW YORK NEW JERSEY

ACCESS PCP LIMITED

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REPORT OF THE DIRECTORS

The directors have pleasure in presenting their report together with the audited financial statements of Access PCP Limited (the “Company”) for the period from 1 October 2018 to 25 June 2019 (date of cessation of operations).

Principal activity

The Company is an open-ended investment company which was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands on 11 March 1985. It is a registered mutual fund under The Mutual Funds Law in the Cayman Islands. The Company has different classes of participating shares. A separate underlying fund is established and maintained for each class of participating shares. During the year, the Company had two underlying Funds, namely Global Balanced Portfolio and Global Opportunities Portfolio (the “Funds”).

The Company has been authorised by the Securities and Futures Commission as an authorised fund in Hong Kong.

The Company is exempted from tax on profits, income or gains in the Cayman Islands for a period of 20 years from 14 February 2006 in accordance with section 6 of the Tax Concession Law (Revised) in the Cayman Islands. The Company is also exempted from tax on income and capital gains under section 26A(1A) of the Inland Revenue Ordinance in Hong Kong and the Company meets all the profit tax exemption conditions in accordance with Departmental Interpretation and Practice Note 43 issued by The Hong Kong Inland Revenue Department and the Revenue (Profits Tax Exemption for Offshore Funds) Ordinance 2006.

The Company’s objective is to provide investors with the benefits of professionally managed portfolios of investments in unit trusts and/or collective investment schemes.

Results

Costs incurred in connection with the operations of the Company are charged to the underlying Funds on a pro rata basis. As a result, the Company does not prepare a revenue statement.

The results of the underlying Funds for the period from 1 October 2018 to 25 June 2019 (date of cessation of operations) are set out in the Funds’ revenue statement on page 10.

Dividends

With effect from 16 May 2002, the directors proposed not to distribute any dividends to the shareholders. No distribution was made to the holders of the participating shares of Global Balanced Portfolio and Global Opportunities Portfolio for the period from 1 October 2018 to 25 June 2019 (date of cessation of operations).

Directors

The directors in office during the financial period and up to the date of this report were:

C.M. Liu
R.H.L. Thomas
Z.R.D. Liu (Appointed on 15 April 2019)

In accordance with Article 94 of the Company’s Articles of Association, all directors will retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

REPORT OF THE DIRECTORS (CONTINUED)

Auditors

Rankin Berkower (Cayman) Ltd retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board



.....
Director

Hong Kong, 18 October 2019
.....

PERFORMANCE TABLE

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

	<u>Global Balanced Portfolio</u>		<u>Global Opportunities Portfolio</u>	
	<u>Net asset value of the portfolio</u>	<u>Net asset value per share</u>	<u>Net asset value of the portfolio</u>	<u>Net asset value per share</u>
At				
30 September 2017	2,194,209	10.51	2,381,623	10.64
30 September 2018	2,174,155	10.69	2,569,268	11.60
25 June 2019	-	-	-	-
	<u>Highest offer</u>	<u>Lowest bid</u>	<u>Highest offer</u>	<u>Lowest bid</u>
Financial period/year ended				
30 September 2010	8.75	7.24	8.43	6.88
30 September 2011	9.84	7.95	9.64	7.26
30 September 2012	9.40	7.75	8.86	7.00
30 September 2013	10.17	8.71	9.69	8.10
30 September 2014	10.96	9.56	10.34	8.91
30 September 2015	10.83	9.01	10.46	8.64
30 September 2016	10.14	8.65	9.94	8.19
30 September 2017	11.04	9.23	11.20	8.99
30 September 2018	11.98	10.49	12.52	10.65
25 June 2019	11.40	9.67	12.14	9.69

STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

ANALYSIS BY INVESTMENTS

	Percentage holdings of net assets	
	<u>25/06/2019</u>	<u>30/09/2018</u>
1. Global Balanced Portfolio		
Equity funds	-	61.23%
Bond funds	-	14.99%
Other net assets	-	23.78%
	-	100.00%
2. Global Opportunities Portfolio		
Equity funds	-	94.99%
Other net assets	-	5.01%
	-	100.00%



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**INDEPENDENT AUDITORS' REPORT
TO THE DIRECTORS OF
ACCESS PCP LIMITED**

(Incorporated in the Cayman Islands with limited liability)

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Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Access PCP Limited (the "Company") set out on pages 10 to 43, which comprise the statement of assets and liabilities as at 25 June 2019, and the revenue statement, statement of movements in capital and reserve attributable to participating shareholders and statement of cash flows for the period from 1 October 2018 to 25 June 2019 (date of cessation of operations), and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 25 June 2019, and of its financial performance and its cash flows for the period from 1 October 2018 to 25 June 2019 (date of cessation of operations) in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 2(a) of the financial statements, which describes the financial statements have not been prepared using a going concern basis of accounting. Our opinion is not modified in respect of this matter.

Information other than the financial statements and auditors' report thereon

Management is responsible for the other information. The other information comprises the information included in the report of the directors, performance table, statement of movements in portfolio holdings, investment portfolio, custodian's report and the administrator and other parties, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

**RANKIN BERKOWER (CAYMAN) LTD**

Certified Public Accountants and Consultants

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**INDEPENDENT AUDITORS' REPORT
TO THE DIRECTORS OF
ACCESS PCP LIMITED (CONTINUED)***(Incorporated in the Cayman Islands with limited liability)*

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Report on the Audit of the Financial Statements (continued)*Information other than the financial statements and auditors' report thereon (continued)*

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and the Board of Directors for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRS issued by the HKICPA, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

In addition, management is required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (the "SFC").

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Company have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Code on Unit Trusts and Mutual Funds issued by the SFC.

**RANKIN BERKOWER (CAYMAN) LTD**

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**INDEPENDENT AUDITORS' REPORT
TO THE DIRECTORS OF
ACCESS PCP LIMITED (CONTINUED)***(Incorporated in the Cayman Islands with limited liability)*

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Report on the Audit of the Financial Statements (continued)*Auditors' responsibilities for the audit of the financial statements (continued)*

As part of an audit in accordance with HKSA, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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**INDEPENDENT AUDITORS' REPORT
 TO THE DIRECTORS OF
 ACCESS PCP LIMITED (CONTINUED)** _____ 9
(Incorporated in the Cayman Islands with limited liability)

Report on matters under the relevant disclosure provisions of the Code on Unit Trusts and Mutual Funds issued by the SFC

- a. In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Code on Unit Trusts and Mutual Funds issued by the SFC; and
- b. We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purpose of our audit.

Rankin Berkower (Cayman) Ltd
 Certified Public Accountants

18 October 2019

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REVENUE STATEMENT

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

	Notes	Global Balanced Portfolio		Global Opportunities Portfolio	
		01/10/2018 to 25/06/2019	01/10/2017 to 30/09/2018	01/10/2018 to 25/06/2019	01/10/2017 to 30/09/2018
INCOME					
Dividends from investments		5,461	12,855	1,212	5,119
Interest on bank deposits		3,133	558	2,297	465
Other income		12,338	-	12,090	-
Fair value changes on financial assets at fair value through profit or loss	5	(29,928)	93,350	(127,529)	275,895
		(8,996)	106,763	(111,930)	281,479
EXPENSES					
Auditors' remuneration		7,495	9,466	7,495	9,467
Custodian and registrar's fees	6	9,523	13,000	9,523	13,000
Interest expenses		116	346	93	15
Manager's fee	7	15,095	33,469	16,329	37,769
Net exchange losses		8,056	3,233	9,697	101
Sub-custodian fee		-	25	31	5
Sundry expenses		10,757	9,006	12,023	8,490
		51,042	68,545	55,191	68,847
NET (LOSS)/PROFIT FOR THE PERIOD/YEAR					
		(60,038)	38,218	(167,121)	212,632
(Decrease)/Increase in net assets attributable to shareholders		(60,038)	38,218	(167,121)	212,632
AMOUNT TRANSFERRED TO CAPITAL RESERVE					
	9	60,038	(38,218)	167,121	(212,632)
		-	-	-	-

The Company had no components of comprehensive income other than net profit for current period and prior year presented. Accordingly, no separate statement of comprehensive income is presented as the Company's total comprehensive income was the same as net profit for the period/year.

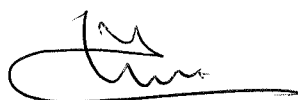
The accompanying notes form an integral part of these financial statements.

STATEMENT OF ASSETS AND LIABILITIES

As at 25 June 2019 (in US Dollars)

	Notes	Founders' Fund		Global Balanced Portfolio		Global Opportunities Portfolio	
		25/06/2019	30/09/2018	25/06/2019	30/09/2018	25/06/2019	30/09/2018
ASSETS							
Current assets							
Investments	5	-	-	-	1,657,390	-	2,440,544
Prepayments and other receivables		-	-	-	4,270	-	4,967
Amount due from Investment Manager		-	-	12,338	-	12,090	-
Cash and cash equivalents		-	100	382,646	533,349	221,813	146,214
Total assets		-	100	394,984	2,195,009	233,903	2,591,725
LIABILITIES							
Current liabilities							
Accruals and other payables		-	-	25,115	20,854	26,222	22,457
Amount payable on redemption		-	-	369,869	-	207,681	-
Total liabilities		-	-	394,984	20,854	233,903	22,457
NET ASSETS							
		-	100	-	2,174,155	-	2,569,268
Net assets attributable to shareholders		-	100	-	2,174,155	-	2,569,268
CAPITAL AND RESERVE							
Share capital	8	100	100	-	2,033	-	2,216
Capital reserve	9	(100)	-	-	2,172,122	-	2,567,052
TOTAL CAPITAL AND RESERVE		-	-	-	2,174,155	-	2,569,268
NUMBER OF PARTICIPATING SHARES IN ISSUE							
	8			-	203,323	-	221,531
NET ASSET VALUE PER PARTICIPATING SHARE							
				-	10.69	-	11.60

The financial statements on pages 10 to 43 were approved and authorised for issue by the Board of Directors on 18 October 2019 and are signed on its behalf by:



Director



Director

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

STATEMENT OF MOVEMENTS IN CAPITAL AND RESERVE

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

	<u>Founders' Fund</u>		<u>Global Balanced Portfolio</u>		<u>Global Opportunities Portfolio</u>	
	<u>25/06/2019</u>	<u>30/09/2018</u>	<u>25/06/2019</u>	<u>30/09/2018</u>	<u>25/06/2019</u>	<u>30/09/2018</u>
Payments on redemption of participating shares	(100)	-	(2,114,117)	(58,272)	(2,402,147)	(24,987)
Net redemption	(100)	-	(2,114,117)	(58,272)	(2,402,147)	(24,987)
Amount transferred from revenue statement	-	-	(60,038)	38,218	(167,121)	212,632
	(100)	-	(2,174,155)	(20,054)	(2,569,268)	187,645
BALANCE BROUGHT FORWARD	100	100	2,174,155	2,194,209	2,569,268	2,381,623
BALANCE CARRIED FORWARD	-	100	-	2,174,155	-	2,569,268

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

STATEMENT OF CASH FLOWS

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

	<u>Global Balanced Portfolio</u>		<u>Global Opportunities Portfolio</u>	
	<u>01/10/2018</u> to <u>25/06/2019</u>	<u>01/10/2017</u> to <u>30/09/2018</u>	<u>01/10/2018</u> to <u>25/06/2019</u>	<u>01/10/2017</u> to <u>30/09/2018</u>
Cash flows from operating activities				
(Decrease)/Increase in net assets attributable to shareholders	(60,038)	38,218	(167,121)	212,632
Adjustments for:				
Interest on bank deposits	(3,133)	(558)	(2,297)	(465)
Interest expenses	116	346	93	15
Dividends from investments	(5,461)	(12,855)	(1,212)	(5,119)
Operating profits before working capital changes	(68,516)	25,151	(170,537)	207,063
Decrease/(Increase) in financial assets at fair value through profit or loss	1,657,390	349,716	2,440,544	(61,756)
Decrease in prepayments and other receivables	4,056	160	4,056	160
Increase in amount due from Investment Manager	(12,338)	-	(12,090)	-
Increase in redemptions payable	369,869	-	207,681	-
Increase/(Decrease) in accruals and other payables	4,261	(4,882)	3,765	(3,673)
Cash from operations	1,954,722	370,145	2,473,419	141,794
Interest received	3,347	344	2,439	323
Interest paid	(116)	(346)	(93)	(15)
Dividends received	5,461	12,855	1,981	4,350
Net cash from operating activities	1,963,414	382,998	2,477,746	146,452
Cash flows from financing activities				
Payments on redemption of shares	(2,114,117)	(58,272)	(2,402,147)	(24,987)
Net cash used in financing activities	(2,114,117)	(58,272)	(2,402,147)	(24,987)
Net (decrease)/increase in cash and cash equivalents	(150,703)	324,726	75,599	121,465
Cash and cash equivalents at the beginning of the period/year	533,349	208,623	146,214	24,749
Cash and cash equivalents at the end of the period/year	382,646	533,349	221,813	146,214
Analysis of the balances of cash and cash equivalents				
Bank balances	382,646	533,349	221,813	146,214

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

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

1. GENERAL INFORMATION

Access PCP Limited (the “Company”) is an open-ended investment company which was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law (2013 Revision) of the Cayman Islands on 11 March 1985. It is a registered mutual fund under The Mutual Funds Law (2019 Revision) in the Cayman Islands. The Company has different classes of participating shares. A separate underlying fund is established and maintained for each class of participating shares. During the year, the Company had two underlying Funds, namely Global Balanced Portfolio and Global Opportunities Portfolio (the “Funds”).

The Company has been authorised by the Securities and Futures Commission as an authorised fund in Hong Kong.

The Company has been exempted from tax on profits, income or gains in the Cayman Islands for a period of 20 years from 14 February 2006 in accordance with section 6 of the Tax Concession Law (2011 Revision) in the Cayman Islands. The Company is also exempted from tax on income and capital gains under section 26A(1A) of the Inland Revenue Ordinance in Hong Kong and the Company meets all the profits tax exemption conditions in accordance with Departmental Interpretation and Practice Note 43 issued by The Hong Kong Inland Revenue Department and the Revenue (Profits Tax Exemption for Offshore Funds) Ordinance 2006.

The Global Opportunities Portfolio’s investment objective is long-term capital growth through a portfolio of investments in managed funds of a specialised nature consistent with prudent investment management, by investing principally in equity funds that specialise in different geographical regions, markets and industry sectors, such as smaller companies, energy commodities and metals.

The Global Balanced Portfolio’s investment objective is long-term capital growth through a balanced and internationally diversified portfolio of investments in managed funds, such as by investing in equity funds specialising in major international markets and principal investment sectors within those markets. The Fund may also invest in corporate and sovereign bond fund, currencies and cash fund.

The investment manager of the Fund is Access Investment Management (H.K.) Limited (the “Investment Manager”), a company incorporated in Hong Kong. The Investment Manager exercises full discretion in the management of the investment transactions of the Fund.

The manager of the Company is Private Capital Portfolio (the “Manager”), a company incorporated in Bermuda. The Manager is required to pay remuneration to Access Investment Management (H.K.) Limited (“Access HK”) for its services as the Investment Manager and Hong Kong representative of the Company.

These financial statements were authorised for issue by the Board of Directors on 18 October 2019.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

2. SUMMARY 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 current period and prior year presented, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

The financial statements have not been prepared using a going concern basis of accounting as the Company ceased its operations on 25 June 2019 and management intends to deregister the Company with the Cayman Islands Monetary Authority after the reporting period. As a result, the financial statements have been prepared on a break up basis.

Standards and amendments to existing standards effective 1 October 2018

HKFRS 9 ‘Financial Instruments’ became effective for annual periods beginning on or after 1 January 2018. It addresses the classification, measurement and derecognition of financial assets and liabilities and replaces the multiple classification and measurement models in HKAS 39.

Classification and measurement of debt assets is driven by the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A debt instrument is measured at amortised cost if the objective of the business model is to hold the financial asset for the collection of the contractual cash flows and the contractual cash flows under the instrument solely represent payments of principal and interest (SPPI). A debt instrument is measured at fair value through other comprehensive income if the objective of the business model is to hold the financial asset both to collect contractual cash flows from SPPI and to sell. All other debt instruments must be recognised at fair value through profit or loss. An entity may however, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Derivative and equity instruments are measured at fair value through profit or loss unless, for equity instruments not held for trading, an irrevocable option is taken to measure at fair value through other comprehensive income. HKFRS 9 also introduces a new expected credit loss (ECL) impairment model.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(a) Basis of preparation (continued)***Standards and amendments to existing standards effective 1 October 2018 (continued)*

HKFRS 9 has been applied retrospectively by the Company and did not result in a change to the classification or measurement of financial instruments as outlined in note 2(c). The Company's investment portfolio continues to be classified as fair value through profit or loss and other financial assets which are held for collection continue to be measured at amortised cost. There was no material impact on adoption from the application of the new impairment model.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 October 2018 that have a material effect on the financial statements of the Company.

New standards, amendments and interpretations effective for annual periods beginning after 1 October 2018 and have not been early adopted

In addition to the above, a number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 October 2018, and have not been applied in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Company.

(b) Interest income and dividend income

Interest income is recognised on a time-proportion basis using the effective interest method.

Dividend income from investments is recognised when the right to receive payment is established.

(c) Financial assets at fair value through profit or loss*Classification*

The Company classifies its investments based on both the Company's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Company is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Consequently, all investments are measured at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(c) Financial assets at fair value through profit or loss (continued)***Recognition, derecognition and measurement*

Regular purchases and sales of investments are recognised on the trade date – the date on which the Company commits to purchase or sell the investment. Financial assets at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the revenue statement.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are presented in the revenue statement within net changes in fair value of financial assets at fair value through profit or loss in the period in which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the revenue statement within dividend income when the Company’s right to receive payments is established.

Fair value estimation

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 traded in active markets (such as publicly trading securities) are based on quoted market prices at the close of trading on the reporting date. The Company utilises the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In the circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(d) Receivables**

Receivables are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Company shall measure the loss allowance on receivables at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Company shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

(e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of assets and liabilities when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(f) Accrued expenses and payables

Accrued expenses and payables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

(g) Foreign currency translation**(i) *Functional and presentation currency***

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the “functional currency”). The performance of the Company is measured and reported to the investors in United States dollars (“US\$”). The Board of Directors considers the US\$ as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in US\$ which is the Company’s functional and presentation currency.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(g) Foreign currency translation (continued)***(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of assets and liabilities denominated in foreign currencies are recognised in the revenue statement.

(h) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments in an active market with original maturities of three months or less, and bank overdrafts.

(i) Subscription and redemption of shares

Proceeds and payments on the subscription and redemption of shares recorded in the statement of movements in capital and reserve exclude any entry or exit fees payable with respect to the subscription and redemption of shares in the Company. Redemptions from the Company are recorded gross of any exit fees payable after the redemption of shares. The price at which shares are subscribed or redeemed is calculated by reference to the net asset value per share as at the close of business on the relevant dealing day. The basis adopted by the Company in arriving at the net asset value per share for subscription and redemption purposes during the period/year may not be the same as the accounting principles adopted for the preparation of these financial statements.

(j) Related parties

(a) A person, or a close member of that person's family, is related to the Company if that person:

- (i) has control or joint control over the Company;
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(j) Related parties (continued)**

- (b) An entity is related to the Company if any of the following conditions applies:
(continued)
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) The entity and the Company are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company.
 - (vi) The entity controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the Company's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

3. FINANCIAL RISK MANAGEMENT

The Funds' activities expose them to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Funds are exposed to various risks which are discussed below.

(a) Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

All securities investments present a risk of loss of capital. Each Fund's market price risk is managed through (i) deliberate securities selection, and (ii) diversification of the investment portfolio. The Investment Manager monitors the Funds' market positions on a daily basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)**(a) Market price risk (continued)**

The table below shows increase/decrease of net assets attributable to holders of participating shares which based on the assumption that the price of the investments had increased/decreased by 5% with all other variables held constant. The assumption is based on the historical experience and various other factors that are believed to be reasonable.

	<u>25/06/2019</u>	<u>30/09/2018</u>
	Estimated impact increase/ decrease	Estimated impact increase/ decrease
Global Balanced Portfolio	-	82,870
Global Opportunities Portfolio	-	122,027

The Investment Manager has used its view of what would be a “reasonable shift” in each key market to estimate the change for use in the market sensitivity analysis above.

Disclosures above are shown in absolute terms, changes and impacts could be positive or negative.

(b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The majority of the Funds’ financial assets are non-interest bearing. As a result, the Funds are not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash and cash equivalents are invested at short-term market interest rates.

At 25 June 2019, Global Balanced Portfolio and Global Opportunities Portfolio had cash and cash equivalents of \$382,646 and \$221,813 (30 September 2018: \$533,349 and \$146,214) respectively and were therefore exposed to interest rate risk on these cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)**(c) Credit risk**

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to pay amounts in full when due and cause the other party to incur a financial loss.

The Funds' financial assets which are potentially subject to concentrations of credit risk consist principally of bank deposits and assets held with the sub-custodian.

The Funds limit their exposure to credit risk by transacting with well-established broker-dealers and banks with high credit ratings. Impairment provisions are provided for losses that have been incurred by the end of the reporting period, if any.

Financial assets which potentially subject the Funds to concentrations of credit risk consist principally of deposits placed with the sub-custodian and investments held by the sub-custodian. The Funds' deposits are placed with RBC Investor Services Bank S.A. and investments are placed with RBC Investor Services Trust Hong Kong Limited, all of which are high credit quality financial institutions.

The Investment Manager monitors the credit rating of these financial institutions on an ongoing basis.

The Investment Manager considers that the Funds' exposure to credit risk at the end of the reporting period is minimal.

(d) Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in settling a liability, including a redemption request, or selling a financial asset quickly at close to its fair value.

The Funds' activities expose them to weekly cash redemptions of units in the Funds. The Funds invest the majority of their assets in investments that are traded in an active market and can be readily disposed of. The Investment Manager monitors the Funds' liquidity positions on a daily basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Liquidity risk (continued)

The tables below analyse the Funds' financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

25/06/2019

	<u>Less than 3 months</u>	<u>No stated maturity</u>
Global Balanced Portfolio		
Accruals and other payables	25,115	-
Redemptions payable	369,869	-
	<u>394,984</u>	-
Global Opportunities Portfolio		
Accruals and other payables	26,222	-
Redemptions payable	207,681	-
	<u>233,903</u>	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)**(d) Liquidity risk (continued)**

30/09/2018

	<u>Less than 3 months</u>	<u>No stated maturity</u>
Global Balanced Portfolio		
Accruals and other payables	20,854	-
Net assets attributable to shareholders (at last traded market price)	-	<u>2,174,155</u>
	<u>20,854</u>	<u>2,174,155</u>
Global Opportunities Portfolio		
Accruals and other payables	22,457	-
Net assets attributable to shareholders (at last traded market price)	-	<u>2,569,268</u>
	<u>22,457</u>	<u>2,569,268</u>

(e) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

The Funds hold assets denominated in currencies other than their functional currencies and are therefore exposed to currency risk. The Investment Manager monitors the Funds' currency positions on a daily basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Currency risk (continued)

The following tables summarise the Funds' on-balance sheet exposure to currency risk.

25/06/2019

Global Balanced Portfolio	USD US\$	EUR US\$	GBP US\$	HKD US\$	JPY US\$	Total US\$
Assets						
Cash at bank	375,344	-	-	7,302	-	382,646
Other assets	12,338	-	-	-	-	12,338
Total assets	387,682	-	-	7,302	-	394,984
Liabilities (excluding net assets attributable to shareholders)						
Redemptions payable	(369,869)	-	-	-	-	(369,869)
Accruals and other payables	(25,115)	-	-	-	-	(25,115)
Total liabilities	(394,984)	-	-	-	-	(394,984)
Net assets attributable to shareholders (at last traded prices)						
	(7,302)	-	-	7,302	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)**(e) Currency risk (continued)****25/06/2019**

Global Opportunities Portfolio	USD <u>US\$</u>	EUR <u>US\$</u>	GBP <u>US\$</u>	HKD <u>US\$</u>	JPY <u>US\$</u>	Total <u>US\$</u>
Assets						
Cash at bank	214,511	-	-	7,302	-	221,813
Other assets	12,090	-	-	-	-	12,090
Total assets	226,601	-	-	7,302	-	233,903
Liabilities (excluding net assets attributable to shareholders)						
Redemptions payable	(207,681)	-	-	-	-	(207,681)
Accruals and other payables	(26,222)	-	-	-	-	(26,222)
Total liabilities	(233,903)	-	-	-	-	(233,903)
Net assets attributable to shareholders (at last traded prices)	(7,302)	-	-	7,302	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)**(e) Currency risk (continued)**

30/09/2018

Global Balanced Portfolio	USD	EUR	GBP	HKD	JPY	Total
	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>
Assets						
Cash at bank	232,492	22,208	226,126	44,434	8,089	533,349
Investments	950,987	147,323	380,796	-	178,284	1,657,390
Other assets	4,270	-	-	-	-	4,270
Total assets	1,187,749	169,531	606,922	44,434	186,373	2,195,009
Liabilities (excluding net assets attributable to shareholders)						
Accruals and other payables	(20,854)	-	-	-	-	(20,854)
Total liabilities	(20,854)	-	-	-	-	(20,854)
Net assets attributable to shareholders (at last traded prices)						
	1,166,895	169,531	606,922	44,434	186,373	2,174,155

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)**(e) Currency risk (continued)**

30/09/2018

Global Opportunities Portfolio	USD US\$	EUR US\$	GBP US\$	HKD US\$	JPY US\$	Total US\$
Assets						
Cash at bank	145,133	-	-	1,081	-	146,214
Investments	1,318,659	415,000	381,794	-	325,091	2,440,544
Other assets	4,967	-	-	-	-	4,967
Total assets	1,468,759	415,000	381,794	1,081	325,091	2,591,725
Liabilities (excluding net assets attributable to shareholders)						
Accruals and other payables	(22,457)	-	-	-	-	(22,457)
Total liabilities	(22,457)	-	-	-	-	(22,457)
Net assets attributable to shareholders (at last traded prices)						
	1,446,302	415,000	381,794	1,081	325,091	2,569,268

The Funds' net exposure to each currency other than Hong Kong dollars ("HK\$") and US\$ at the date of the statement of assets and liabilities and their estimated impact to net assets attributable to shareholders had the HK\$ and US\$ weakened by 5% are illustrated below.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)**(e) Currency risk (continued)**

	<u>25/06/2019</u>	<u>30/09/2018</u>
Global Balanced Portfolio		
Euro	-	8,476
Pound Sterling	-	30,346
Japanese Yen	-	9,319
Global Opportunities Portfolio		
Euro	-	20,750
Pound Sterling	-	19,090
Japanese Yen	-	16,255

As HK\$ is pledged to US\$, the Funds do not expect any significant movement in HK\$/US\$ exchange rate. A 5% appreciation of HK\$ against the above currencies would have resulted in an equal but opposite effect on the financial statements, on the basis that all other variables remain constant.

(f) Capital risk management

The primary objective of the Funds' capital management is to safeguard the Funds' ability to continue as a going concern and to maintain healthy capital ratios in order to support their business and maximise shareholders value. To maintain or adjust the capital structure, the Investment Manager may adjust the investments held. The overall objectives of the capital risk management process did not change during the current period and prior year. The Investment Manager defines capital as the net assets attributable to holders of participating shares.

The Directors and the Investment Manager monitor capital on the basis of the value of the net assets attributable to shareholders.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)**(g) Categories of financial instruments**

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

	Global Balanced Portfolio		Global Opportunities Portfolio	
	<u>25/06/2019</u>	<u>30/09/2018</u>	<u>25/06/2019</u>	<u>30/09/2018</u>
<u>Financial assets</u>				
<i>Financial assets at fair value through profit or loss</i>				
- Investments				
- Equity funds	-	1,331,364	-	2,440,544
- Bond funds	-	326,026	-	-
<i>Financial assets at amortised cost</i>				
- Amount due from Investment Manager	12,338	-	12,090	-
- Cash and cash equivalents	382,646	533,349	221,813	146,214
<u>Financial liabilities</u>				
<i>Financial liabilities at amortised costs</i>				
- Accruals and other payables	25,115	20,854	26,222	22,457
- Redemptions payable	369,869	-	207,681	-

(h) Fair value estimation

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 traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the year end date. The Funds utilise the last traded market price for both financial assets and financial liabilities. If a significant movement in fair value occurs subsequent to the close of trading up to midnight in a particular stock exchange on the year end date, valuation techniques will be applied to determine the fair value.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)**(h) Fair value estimation (continued)**

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. The Funds use a variety of methods and makes assumptions that are based on market conditions existing at each year end date. Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Funds hold. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Funds for similar financial instruments.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

(h) Fair value estimation (continued)

The following tables present the Funds' assets that are measured at fair value at 25 June 2019 and 30 September 2018.

At 25 June 2019, the Company did not have any investments.

30/09/2018

Global Balanced Portfolio

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<i>Financial assets at fair value through profit or loss</i>				
- Investments in:				
- Private investment funds	- 1,331,364		- 1,331,364	
- Bond funds	- 326,026		- 326,026	
	- 1,657,390		- 1,657,390	

Global Opportunities Portfolio

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<i>Financial assets at fair value through profit or loss</i>				
- Investments in:				
- Exchange traded funds	251,748	-	- 251,748	
- Private investment funds	- 2,188,796		- 2,188,796	
	251,748	2,188,796	- 2,440,544	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

3. FINANCIAL RISK MANAGEMENT (CONTINUED)**(h) Fair value estimation (continued)**

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Funds is the last traded price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. The fair value of Level 2 investments are valued at their last traded prices as provided by the administrators of such funds.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. The Funds had no investments that would be classified as Level 3.

During the period ended 25 June 2019, there were no transfers between Level 1 and Level 2 and no transfers into or out of Level 3 (Year ended 30 September 2018: Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Funds make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions may have a risk of causing an adjustment to the carrying amounts of assets and liabilities during the period.

4.1 Critical judgements

Functional currency

The Board of Directors considers the US\$ the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. The US\$ is the currency in which the Funds measure their performance and report their results, as well as the currency in which they receive subscriptions from their investors. This determination also considers the competitive environment in which the Funds are compared to other international investment products.

5. INVESTMENTS**Global Balanced Portfolio**

	<u>25/06/2019</u>	<u>30/09/2018</u>
<u>Equity funds</u>		
At cost	-	928,828
Unrealised gain	-	402,536
	-	1,331,364
<u>Bond funds</u>		
At cost	-	286,090
Unrealised gain	-	39,936
	-	326,026
Total investments, at fair value	-	1,657,390
Fair value changes on financial assets at fair value through profit or loss:		
- Realised gain	412,544	270,383
- Change in unrealised loss	(442,472)	(177,033)
Total (loss)/gain	(29,928)	93,350

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

5. INVESTMENTS (CONTINUED)**Global Opportunities Portfolio**

	<u>25/06/2019</u>	<u>30/09/2018</u>
<u>Equity funds</u>		
At cost	-	1,659,279
Unrealised gain	-	781,265
	<hr/>	<hr/>
Total investments, at fair value	-	2,440,544
	<hr/> <hr/>	<hr/> <hr/>
Fair value changes on financial assets at fair value through profit or loss:		
- Realised gain	653,736	209,702
- Change in unrealised (loss)/gain	(781,265)	66,193
	<hr/>	<hr/>
Total (loss)/gain	(127,529)	275,895
	<hr/> <hr/>	<hr/> <hr/>

6. CUSTODIAN AND REGISTRAR'S FEES

The Company has engaged the services of MUFG Fund Services (Cayman) Limited to act as Custodian and Registrar for a fee. MUFG Fund Services (Cayman) Limited is a wholly owned subsidiary of Mitsubishi UFJ Trust and Banking Corporation.

With effect from 1 October 2009, the custodian fee is payable monthly in arrears and is calculated at 0.05% per annum on each underlying Fund's net asset value, subject to a minimum annual charge of \$10,000.

The registrar's fee is charged at \$3,000 per annum per underlying Fund.

7. MANAGER'S FEE

The Manager, Private Capital Portfolio Management Limited, is entitled to receive a fee which is calculated at 1.5% per annum of the net asset value of each underlying Fund.

Total management fees of the Global Balanced Portfolio and Global Opportunities Portfolio for the period amounted to \$15,095 and \$16,329 (Year ended 30 September 2018: \$33,469 and \$37,769) respectively, with \$7,625 and \$8,008 (30 September 2018: \$8,581 and \$10,012) respectively in outstanding accrued fees due to the Manager at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

8. SHARE CAPITAL

	<u>25/06/2019</u>	<u>30/09/2018</u>
Authorised:		
100 founders' shares of \$1 each	100	100
89,990,000 unclassified redeemable preference shares of \$0.01 each	<u>899,900</u>	<u>899,900</u>
	<u>900,000</u>	<u>900,000</u>
Issued and fully paid:		
100 founders' shares of \$1 each	<u>100</u>	<u>100</u>
Nil (30 September 2018: 424,854) participating shares of \$0.01 each	-	<u>4,249</u>

The founders' shares have been issued to the Manager at par. They have no dividend rights but entitle the holder to vote at the general meetings of the Company. The proceeds of the issued shares are represented by a separate Founders' Fund which is included in share capital.

Unclassified redeemable preference shares may be issued as either participating shares or as nominal shares. Nominal shares may be converted into participating shares by the Manager.

Participating shares are allotted or redeemed on any subscription date at the respective issue price or redemption price prevailing for the participating shares of the relevant class. Both the issue and redemption prices are calculated in accordance with the provisions of the Articles of Association of the Company. Participating shares carry full dividend and voting rights.

Participating shares have been issued in the following classes:

	Number of shares				Nominal value of shares			
	Global Balanced Portfolio		Global Opportunities Portfolio		Global Balanced Portfolio		Global Opportunities Portfolio	
	<u>25/06/2019</u>	<u>30/09/2018</u>	<u>25/06/2019</u>	<u>30/09/2018</u>	<u>25/06/2019</u>	<u>30/09/2018</u>	<u>25/06/2019</u>	<u>30/09/2018</u>
At beginning of the period/year	203,323	208,751	221,531	223,766	2,033	2,088	2,216	2,238
Redeemed during the period/year	<u>(203,323)</u>	<u>(5,428)</u>	<u>(221,531)</u>	<u>(2,235)</u>	<u>(2,033)</u>	<u>(55)</u>	<u>(2,216)</u>	<u>(22)</u>
At end of the period/year	-	203,323	-	221,531	-	2,033	-	2,216

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

9. CAPITAL RESERVE

	Global Balanced Portfolio		Global Opportunities Portfolio	
	<u>25/06/2019</u>	<u>30/09/2018</u>	<u>25/06/2019</u>	<u>30/09/2018</u>
At beginning of the period/year	2,172,122	2,192,121	2,567,052	2,379,385
Net redemptions during the period/year	(2,112,084)	(58,217)	(2,399,931)	(24,965)
Net (loss)/profit for the period/year transferred from revenue statement	<u>(60,038)</u>	<u>38,218</u>	<u>(167,121)</u>	<u>212,632</u>
At end of the period/year	-	2,172,122	-	2,567,052

10. SUMMARY OF SIGNIFICANT TRANSACTIONS WITH CONNECTED PERSONS

The following is a summary of significant transactions entered into during the period between the Funds and the connected persons of the Manager. All such transactions were entered into in the ordinary course of business.

- (a) With effect from 1 June 2016, the Investment Manager undertook to absorb all expenses incurred by the Funds in excess of 3% per annum of the net asset value of the Funds. Details of the transactions effected through the Investment Manager were as follows:

	Global Balanced Portfolio		Global Opportunities Portfolio	
	<u>01/10/2018</u> to <u>25/06/2019</u>	<u>01/10/2017</u> to <u>30/09/2018</u>	<u>01/10/2018</u> to <u>25/06/2019</u>	<u>01/10/2017</u> to <u>30/09/2018</u>
Rebate received from the Investment Manager	12,338	-	12,090	-
Receivables from the Investment Manager	<u>12,338</u>	-	<u>12,090</u>	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

**10. SUMMARY OF SIGNIFICANT TRANSACTIONS WITH CONNECTED PERSONS
(CONTINUED)**

- (b) During the period/year, the Funds utilised the brokerage services of Platinum Broking Company Limited, a connected party of the Manager of the Funds. Details of the transactions effected through the connected party were as follows:

	Global Balanced Portfolio		Global Opportunities Portfolio	
	<u>01/10/2018</u> to <u>25/06/2019</u>	01/10/2017 to 30/09/2018	<u>01/10/2018</u> to <u>25/06/2019</u>	01/10/2017 to 30/09/2018
Aggregate value of transactions of the Funds during the period/year	1,627,461	443,065	2,313,015	2,084,059
Aggregate value of transactions effected through connected party	-	226,080	241,355	104,724
Transactions with connected party as a percentage of total transaction of the Funds during the period/year	-	51%	10%	5%
Total brokerage commission in respect of the Funds	-	1,243	1,327	576
Total brokerage commission paid to connected party	-	1,243	1,327	576
Total brokerage commission paid to connected party as a percentage of total brokerage commission in respect of the Funds	-	100%	100%	100%

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

10. SUMMARY OF SIGNIFICANT TRANSACTIONS WITH CONNECTED PERSONS (CONTINUED)

- (c) Average rate of commission subject to a minimum charge of \$13 (Year ended 30 September 2018: \$13) per Hong Kong equity transaction, \$17 (Year ended 30 September 2018: \$17) per Japan equity transaction, and \$70 (Year ended 30 September 2018: \$70) per United States equity transaction:

	Global Balanced Portfolio		Global Opportunities Portfolio	
	01/10/2018 to 25/06/2019	01/10/2017 to 30/09/2018	01/10/2018 to 25/06/2019	01/10/2017 to 30/09/2018
On Hong Kong equity transaction	0.25%	0.25%	0.25%	0.25%
On Japanese equity transaction	0.40%	0.40%	0.40%	0.40%
On United States equity transaction	0.55%	0.55%	0.55%	0.55%

- (d) The participating shares held by a connected person were as follows:

Global Balanced Portfolio

For the period ended 25 June 2019

Connected party of the Manager of the Funds	Number of shares at the start of period	Number of shares acquired in the period	Number of shares redeemed in the period	Number of shares at period end	Percentage of shares at period end
Platinum Broking Company Limited	144,200	-	(144,200)	-	-

For the year ended 30 September 2018

Connected party of the Manager of the Funds	Number of shares at the start of year	Number of shares acquired in the year	Number of shares redeemed in the year	Number of shares at year end	Percentage of shares at year end
Platinum Broking Company Limited	144,200	-	-	144,200	70.92%

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

10. SUMMARY OF SIGNIFICANT TRANSACTIONS WITH CONNECTED PERSONS (CONTINUED)

- (d) The participating shares held by a connected person were as follows: (continued)

Global Opportunities Portfolio**For the period ended 25 June 2019**

Connected party of the Manager of the Funds	Number of shares at the start of period	Number of shares acquired in the period	Number of shares redeemed in the period	Number of shares at period end	Percentage of shares at period end
Platinum Broking Company Limited	180,200	-	(180,200)	-	-

For the year ended 30 September 2018

Connected party of the Manager of the Funds	Number of shares at the start of year	Number of shares acquired in the year	Number of shares redeemed in the year	Number of shares at year end	Percentage of shares at year end
Platinum Broking Company Limited	180,200	-	-	180,200	81.34%

- (e) All of the above transactions with the connected party have been entered into in the ordinary course of business and on normal commercial terms.
- (f) For the period ended 25 June 2019, the income accruing to the Manager relating to allotments and redemptions in the Company's participating shares amounted to \$16,647 (Year ended 30 September 2018: \$405).
- (g) The Manager is entitled to receive remuneration from the Company for its services as the Manager of the Company. Messrs. C.M. Liu, R.H.L. Thomas are directors of the Manager.

The Manager is required to pay remuneration to Access Investment Management (H.K.) Limited ("Access HK") for its services as the Investment Manager and Hong Kong Representative of the Company. Messrs. C.M. Liu, R.H.L. Thomas and Z.R.D. Liu are directors of Access HK.

Compensation of key management personnel

The key management personnel of the Company are the directors.

For the period ended 25 June 2019, no remuneration was paid or accrued to Messrs. C.M. Liu, R.H.L. Thomas and Z.R.D. Liu (Year ended 30 September 2018: Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

11. SOFT COMMISSION ARRANGEMENTS

There were no soft commission arrangements in connection with directing transactions of the Company through a broker or dealer for the period ended 25 June 2019 (Year ended 30 September 2018: Nil).

12. BANK LOANS, OVERDRAFTS AND OTHER BORROWINGS

The Company had no bank loans, overdrafts or other borrowings as at 25 June 2019 (30 September 2018: Nil).

13. SECURITY LENDING ARRANGEMENTS

As at 25 June 2019, the Company did not enter into any security lending arrangements (30 September 2018: Nil).

14. NEGOTIABILITY OF ASSETS

As at 25 June 2019, there was no statutory or contractual requirement restricting the negotiability of the assets of the Company (30 September 2018: Nil).

15. COMMITMENTS

The Company had no material commitments as at 25 June 2019 (30 September 2018: Nil).

16. CONTINGENT LIABILITIES

The Company had no material contingent liabilities as at 25 June 2019 (30 September 2018: Nil).

17. DISTRIBUTIONS

No distribution was made during the period ended 25 June 2019 (Year ended 30 September 2018: Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the period from 1 October 2018 to 25 June 2019
(date of cessation of operations) (in US Dollars)

18. EVENTS AFTER THE REPORTING PERIOD

Directors have performed a subsequent event review from 26 June 2019 to 18 October 2019, being the date that the financial statements were available to be issued. Directors concluded that there were no material events which impact these financial statements.

19. INFORMATION ACCOMPANYING INDEPENDENT AUDITORS' REPORT AND FINANCIAL STATEMENTS (pages one to five)

The information accompanying the Independent Auditors' Report and Financial Statements contains unaudited information except as noted or referenced on pages 6 to 43.

----- End of Notes -----

ADMINISTRATOR AND OTHER PARTIES*(For information only)*Manager

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The Belvedere Building
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Pembroke HM 08, Bermuda

Investment Manager and Hong Kong Representative

Access Investment Management
(H.K.) Limited
21/F LHT Tower
31 Queen's Road Central
Hong Kong

Sub-Custodian and Hong Kong Distribution Agent

RBC Investor Services Trust
Hong Kong Limited
41 and 42/F One Taikoo Place
Taikoo Place, 979 King's Road
Quarry Bay
Hong Kong

Secretary

Fund Secretaries Limited
Butterfield House
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Grand Cayman KY1-1107
Cayman Islands

Registered Office

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South Church Street
George Town
Grand Cayman
KY1-1104
Cayman Islands

Custodian, Registrar and Principal Office

MUFG Fund Services (Cayman) Limited
Butterfield House
68 Fort Street
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George Town, Grand Cayman
Cayman Islands

Sub-Registrar

RBC Corporate Services
Hong Kong Limited
41 and 42/F One Taikoo Place
Taikoo Place, 979 King's Road
Quarry Bay
Hong Kong

Independent Auditors

Rankin Berkower (Cayman) Ltd
One Capital Place, 3rd Floor
136 Shedden Rd, George Town
P.O. Box 30349, KY1-1202
Grand Cayman, Cayman Islands

Directors of the Company

R.H.L. Thomas
C.M. Liu
Z.R.D. Liu (Appointed on 15 April 2019)

