

SANLAM QUALIFYING INVESTORS FUNDS PLC

Annual audited financial statements
for the year ended 31 December 2013



Asset Management

ANNUAL AUDITED FINANCIAL STATEMENTS

for the year ended 31 December 2013

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COMPANY INFORMATION

Directors of Sanlam Qualifying Investor Funds Plc (the “Company”)	Peter Murray – Irish* Paul Dobbyn – Irish* Thomas Murray (Appointed 1 October 2013) – Irish** Anton Gildenhuys – South African <i>All Directors are non-executive</i>
Registered number	475202
Funds of the Company	Sanlam Institutional Equity Flexible Fund Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund Sanlam Institutional Balanced Fund Sanlam Institutional Bond Fund Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) Sanlam Global Corporate Bond Fund (<i>closed 30 August 2013</i>)
Registered office of the Company	Beech House Beech Hill Road Dublin 4 Ireland
Manager & secretary	Sanlam Asset Management (Ireland) Limited Beech House Beech Hill Road Dublin 4 Ireland
Administrator***	Sanlam Asset Management (Ireland) Limited Beech House Beech Hill Road Dublin 4 Ireland
Registrar & Transfer Agent	J.P. Morgan Administration Services (Ireland) Limited JPMorgan House IFSC Dublin 1 Ireland

**Peter Murray and Paul Dobbyn are considered independent Directors by the Irish Stock Exchange only.*

***Thomas Murray is considered an independent Director by the Irish Stock Exchange and in line with the Corporate Governance Code that was adopted by the Company with effect from 19 December 2012.*

****Sanlam Asset Management (Ireland) Limited was appointed Administrator to Sanlam Qualifying Investors Funds plc with effect from 11.59pm on 31st December 2012, replacing J.P. Morgan Administration Services (Ireland) Limited.*

COMPANY INFORMATION (CONTINUED)

Investment managers****	Sanlam Investment Management (Pty) Limited 55 Willie van Schoor Avenue Bellville 7530 South Africa
	Sanlam International Investments Limited 4th Floor 52/54 Brook Street London W1K 5DS
Investment allocation manager	Sanlam International Investments Limited 4th Floor 52/54 Brook Street W1K 5DS London United Kingdom
Custodian	Northern Trust Fiduciary Services (Ireland) Limited George's Court 54-62 Townsend Street Dublin 2 Ireland
Broker	Investec Capital & Investments (Ireland) Limited The Harcourt Building Dublin 2 Ireland
Auditor	Ernst & Young Harcourt Centre Harcourt Street Dublin 2 Ireland
Irish legal adviser	Maples and Calder 75 St. Stephens Green Dublin 2 Ireland
Distributors	Sanlam Investment Management (Pty) Limited 55 Willie van Schoor Avenue Bellville 7530 South Africa

****Sanlam International Investments Limited is the Investment Manager for Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund and Sanlam Global Corporate Bond Fund. All other Funds are managed by Sanlam Investment Management (Pty) Limited.

DIRECTORS' REPORT

The Directors of Sanlam Qualifying Investors Funds plc ("the Company") present herewith their Annual Report together with the audited financial statements for the year ended 31 December 2013.

RESULTS AND BUSINESS ACTIVITIES

Detailed investment reviews are included in the Reports of the Investment Manager from pages 15 to 20. The results of operations are set out in the Statement of Comprehensive Income on pages 21 to 23.

The Directors draw your attention to Note 18 which outlines the financial risks associated with meeting the Company's investment objectives. The Directors are not aware of any existing or contingent liability of the Funds that may expose the assets of the Company as a whole.

The Directors also draw your attention to the significant events during the year explained in Note 22 on page 95.

DIVIDENDS

The Directors have no current intention to make distributions from any Fund. All such profits shall be retained in the relevant Fund.

DIRECTORS

The Directors of the Company during the year are listed on page 1.

Peter Murray is a Director of Sanlam Asset Management (Ireland) Ltd ("SAMI"), Sanlam Global Funds Plc, Sanlam Universal Funds Plc, Blue Ink Global Circa Fund Plc and Sanlam Global Fund of Hedge Funds Plc (formerly Blue Ink Global Diversified Fund Plc). Peter Murray is also a Director of Gensec Ireland Limited, Sanlam Ireland Limited and Blue Ink Global Medium Hub Fund Plc, companies which were placed into voluntary liquidation on 12 July 2013, 12 July 2013 and 31 March 2014 respectively.

Paul Dobbyn is a Director of Sanlam Global Funds Plc, Sanlam Universal Funds Plc, Blue Ink Global Circa Fund Plc and Sanlam Global Fund of Hedge Funds Plc (formerly Blue Ink Global Diversified Fund Plc). Paul Dobbyn is also a Director of Blue Ink Global Medium Hub Fund Plc, a company which was placed into voluntary liquidation on 31 March 2014. Paul Dobbyn is also a Partner in Maples and Calder.

Thomas Murray is a Director of Sanlam Global Funds Plc, Sanlam Universal Funds Plc, Blue Ink Global Circa Fund Plc and Sanlam Global Fund of Hedge Funds Plc (formerly Blue Ink Global Diversified Fund Plc).

Anton Gildenhuis is a Director of Sanlam Universal Funds Plc, Sanlam Global Funds Plc, Blue Ink Global Circa Fund Plc, Sanlam Global Fund of Hedge Funds Plc (formerly Blue Ink Global Diversified Fund Plc), Sanlam Financial Services UK Ltd, Sanlam Life and Pensions UK Ltd, Sanlam Developing Markets Ltd, Channel Life Limited, Eternity Private Health Fund Administrators (Pty) Ltd, Active Health Fund Administrators (Pty) Ltd, Eternity Healthcare (Pty) Ltd, Sanlam Healthcare Management and Glacier Financial Holdings (Pty) Ltd. Anton Gildenhuis is also a Director of Blue Ink Global Medium Hub Fund Plc, a company which was placed into voluntary liquidation on 31 March 2014.

DIRECTORS' REPORT (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Irish Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the results of the Company for that year. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards or disclose or explain material departures from them in the financial statements;
- provide a fair review of the development and performance of the Company and its subsidiaries;
- give a description of principal risks and uncertainties that they face; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper books of account which disclose with reasonable accuracy, at any time, the financial position of the Company and to enable them to ensure that the financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU and comply with the Irish Companies Acts, 1963 to 2013. They are also responsible for safeguarding the assets of the Company and in fulfilment of this responsibility, they have entrusted the assets of the Company to the Custodian for safekeeping in accordance with the Memorandum and Articles of Association of the Company. The Directors are responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CORPORATE GOVERNANCE CODE

The European Communities (Directive 2006/46/EC) Regulations (S.I. 450 of 2009 and S.I.83 of 2010) (the "Regulations") requires the inclusion of a corporate governance statement in the Director's Report.

Although there is no specific statutory corporate governance code applicable to Irish collective investment schemes whose shares are admitted to trading on the Irish Stock Exchange (ISE), the Irish Funds Industry Association ("IFIA") has published a corporate governance code ("IFIA Code") that may be adopted on a voluntary basis by Irish authorised collective investments schemes. This code became effective from 1 January 2012, with a twelve month transitional period. It should be noted that the IFIA Code reflects existing corporate governance practises imposed on Irish authorised collective investment schemes, as noted above.

On 19 December 2012 the Board of Directors voluntarily adopted the IFIA Code as the Company's corporate governance code. The Board of Directors has assessed the measures included in the IFIA Code as being consistent with its corporate governance practises and procedures for the financial year. The code is available at www.sanlam.ie.

DIRECTORS' REPORT (CONTINUED)

CORPORATE GOVERNANCE CODE (CONTINUED)

In addition to the IFIA Code, the Company is subject to corporate governance practices imposed by:

- i) The Irish Companies Act 1963 to 2013 which are available for inspection at the registered office of the company, and may also be obtained at www.irishstatutebook.ie/home.html
- ii) The Articles of Association of the company which are available for inspection at the registered office of the Company at George's Court, 54-62 Townsend Street, Dublin 2, Ireland and the Companies Registration Office in Ireland.
- iii) The Central Bank of Ireland in their non-UCITS Notices and Guidance Notes which can be obtained from the Central Bank of Ireland/Financial Regulators website at <http://www.financialregulator.ie/industry-sectors/funds/Pages/default.aspx> and are available for inspection at the registered Office of the Company; and
- iv) The Irish Stock Exchange ("ISE") through the ISE Code of Listing Requirements and Procedures which can be obtained from the ISE's website at <http://www.ise.ie/index.asp?locID=630&docID=-1>
- v) SAMI's Business Plan and Code of Conduct, which is available for inspection at the registered office of SAMI at Beech House, Beech Hill Road, Dublin 4, Ireland
- vi) SAMI is also subject to the Corporate Governance Code of the Sanlam Group.

The Board of Directors is responsible for establishing and maintaining internal control and risk management systems of the company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of error or fraud in achieving the company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement and loss. The Board of Directors has delegated this duty to SAMI.

SAMI is appointed as administrator to maintain the books and records of the Company. SAMI is authorized and regulated by the Central Bank of Ireland and must comply with the rules imposed by the Central Bank of Ireland. SAMI also monitors and evaluates the external auditor's performance, qualifications and independence.

The Company has procedures in place to ensure all relevant books of accounts are properly maintained and are readily available, including production of annual and half-yearly financial statements. The annual financial statements of the Company are required to be approved by the Board of Directors of the Company and the annual and half yearly financial statements are required to be filed with the Central Bank of Ireland and the ISE. The statutory financial statements are required to be audited by the independent auditors who report annually to the Board on their findings. The Board evaluates and discusses significant accounting and reporting issues as the need arises.

Shareholder meeting

The convening and conduct of shareholders meetings are governed by the Articles of Association of the Company and the Companies Acts. Although the Directors may convene an extraordinary general meeting of the Company at any time, the Directors of the Company are required to convene a general meeting within eighteen months of incorporation and fifteen months of the previous annual general meeting thereafter. Shareholders representing not less than one-tenth of the paid up share capital of the Company may also request to convene a shareholders meeting. Not less than twenty one days notice of every annual general meeting and any meeting for the passing of a special resolution must be given to shareholders and fourteen days' notice must be given in the case of any other general meeting unless the auditors of the Company and all the shareholders entitled to attend and vote agree to shorter notice.

DIRECTORS' REPORT (CONTINUED)

CORPORATE GOVERNANCE CODE (CONTINUED)

Shareholder meeting (continued)

Two members present either in person or by proxy constitute a quorum at a general meeting provided that the quorum for a general meeting convened to consider any alteration to the class rights of shares is two shareholders holding or representing by proxy at least one third of the issued shares of the relevant Funds or class.

Every holder of participating shares or non-participating shares present in person or by proxy who votes on a show of hands is entitled to one vote. On a poll, every holder of participating shares present in person or by proxy is entitled to one vote in respect of each share held by him and every holder of non-participating shares is entitled to one vote in respect of all non-participating shares held by him. The chairman of a general meeting of the Company, or at least two members present in person or by proxy, or any holder or holders of participating shares present in person or by proxy representing at least one-tenth of the shares in issue having the right to vote at such meeting, may demand a poll.

Shareholders may decide to sanction an ordinary resolution or special resolution at a shareholder's meeting. An ordinary resolution of the Company (or of the shareholder of a particular Funds or class) requires a simple majority vote cast by the shareholders voting in person or by proxy at the meeting at which the resolution is proposed. A special resolution of the Company (or of the shareholders of a particular Fund or class) requires a majority vote of not less than 75% of the shareholders present in person or by proxy and voting in general meeting in order to pass a special resolution including a resolution to amend the Articles of Association.

Composition and Operation of the Board

Unless otherwise determined by an ordinary resolution of the Company in a general meeting, the number of Directors may not be less than two. Currently the Board of Directors of the Company is composed of four Non Executive Directors, being those listed on page 1 of these financial statements with Peter Murray, Thomas Murray and Paul Dobbyn being Irish residents. None of the Company's Directors hold common directorships with the Custodian.

The business of the Company is managed by the Directors, unless the Companies Acts or the Articles of Association requires to be exercised by the Company in a general meeting.

A Director may, and the company secretary of the Company on the requisition of a Director will, at any time summon a meeting of Directors. Questions arising at any meeting of Directors are determined by a majority of votes. In the case of equality of votes, the chairman has a second or casting vote. The quorum necessary for the transaction of business at a meeting of the Directors is two.

All key management functions of the Company have been delegated to SAMI. SAMI will manage these in terms of their business plan. SAMI is approved by Central Bank of Ireland, and is authorized as a UCITS IV Management Company.

BOOKS OF ACCOUNT

The measures taken by the Directors to ensure compliance with the Company's obligation to keep proper books of account are the use of appropriate systems and procedures which are carefully implemented by the Administrator. The books of account are kept at Beech House, Beech Hill Road, Dublin 4, Ireland.

DIRECTORS' REPORT (CONTINUED)

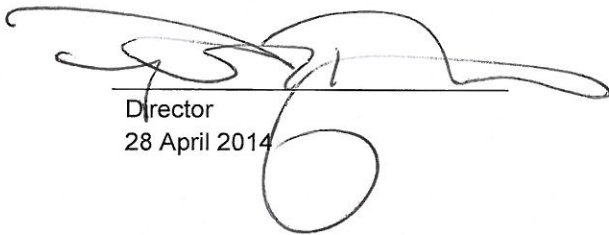
DIRECTORS' AND SECRETARY'S INTEREST IN SHARES AND CONTRACTS

The Directors who held office on 31 December 2013, had no interest in the shares of the Company or Funds at that date or at any time during the financial year. None of the Directors has a service contract with the Company. The Manager holds non-participating shares of the Company as explained in the Notes to the Financial Statements.

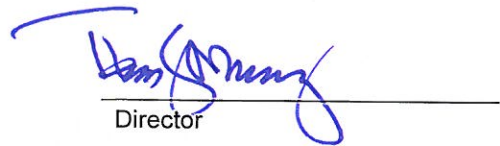
AUDITORS

The Auditors, Ernst & Young, have indicated their willingness to continue in office in accordance with Section 160(2) of the Companies Act, 1963.

On behalf of the Board of Directors



Director
28 April 2014



Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SANLAM QUALIFYING INVESTORS FUNDS PLC

We have audited the financial statements of Sanlam Qualifying Investors Funds plc for the year ended 31 December 2013 which comprise the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Net Assets attributable to holders of redeemable participating shares, Statement of Cash flows and the related notes 1 to 25. The financial reporting framework that has been applied in their preparation is Irish law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report, Investment Manager's Report and Schedule of Investments to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Continued /...

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SANLAM
QUALIFYING INVESTORS FUNDS PLC (Continued)

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view in accordance with IFRSs as adopted by the European Union, of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2013.

Matters on which we are required to report by the Companies Acts 1963 to 2013

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper books of account have been kept by the company.
- The financial statements are in agreement with the books of account.
- In our opinion the information given in the directors' report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2013 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.



Gareth Harman
for and on behalf of Ernst & Young

Dublin

29 April 2014

CUSTODIAN REPORT TO THE SHAREHOLDERS OF SANLAM QUALIFYING INVESTORS FUNDS PLC FOR THE YEAR ENDED 31 DECEMBER 2013

We have enquired into the conduct of Sanlam Qualifying Funds plc (the "Company") for the year ended 31 December 2013, in our capacity as Custodian to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company as a body, in accordance with the Central Bank non-UCITS Notice 7, and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

Responsibilities of the Custodian

Our duties and responsibilities are outlined in the Central Bank of Ireland non-UCITS Notice 7. One of those duties is to enquire into the conduct of the Company in each annual accounting year and report thereon to the shareholders.

Our report shall state whether, in our opinion, the Company has been managed in that year in accordance with the provisions of the Company's Memorandum and Articles of Association and the non-UCITS Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not so complied, we, as Custodian must state why this is the case and outline the steps which we have taken to rectify the situation.

Basis of Custodian Opinion

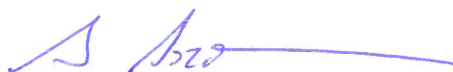
The Custodian conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in non-UCITS Notice 7 and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the Company's constitutional documentation and the appropriate regulations.

Opinion

In our opinion the Company has been managed during the year, in all material respects:

- in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum and Articles of Association and by the Central Bank under the powers granted to it by the Companies Act, 1990 Part XIII and the Investment Funds Act, 2005; and
- otherwise in accordance with the provisions of the Memorandum and Articles of Association, the Companies Act, 1990 Part XIII.

Northern Trust Fiduciary Services (Ireland) Limited
George's Court
54-62 Townsend Street
Dublin 2
Ireland



28 April 2014

ECONOMIC & MARKET REVIEW

for the year ended 31 December 2013

Economic Review

Central bank announcements dominated news flow in financial markets in 2013. In April, the Bank of Japan announced an extraordinarily large asset purchase programme, which was expected to double the size of its monetary base within two years. Subsequently, Japan's economy bounced.

However, the Bank of Japan's announcement was overshadowed by the US Federal Reserve Chairman's comment in May 2013 on possible tapering of US Federal Open Market Committee (FOMC) asset purchases as a first step in normalising monetary policy. Following this announcement US Treasury yields rose and funding and lending conditions in EM tightened as liquidity waned. Attention has been keenly focused on EM countries that run large twin deficits (government budget deficits reflected in current account deficits) and rely on foreign capital inflows, including debt capital inflows, to fund domestic investment. The group includes Turkey, Brazil, India, Indonesia and South Africa.

Meanwhile, the recovery of the US economy continued as domestic demand data surprised to the upside in late 2013. Elsewhere, the Euro area emerged from recession through the year with the marked improvement in the region's manufacturing purchasing managers' index (PMI) suggesting momentum was maintained through to year-end. However, there is a material contrast in performance between Germany, where business survey data has been elevated, and France, where a sharp decline in the manufacturing PMI in late 2013 pointed to continued weakness in industrial production.

On balance, Europe continues to lag other developed economies (DM). Some economies, notably Greece, but also Spain and Portugal, have succeeded in lowering the advance in unit labour costs relative to Germany, implying a relative improvement in competitiveness. Even so, Europe faces a protracted period of adjustment. Although fiscal consolidation in the region (and elsewhere amongst DM countries) is well advanced, the pace of fiscal consolidation in many countries has lagged the official projections first published in 2011, mostly due to weak GDP growth. High levels of debt imply continued risk to unexpected shocks including weaker than expected growth outcomes. Ultimately, lowering government debt ratios to levels that create adequate fiscal space as a buffer against any adverse conditions will ostensibly take many years to achieve.

Amongst emerging market economies (EM) the advance in real economic activity moderated in 2013, amidst higher wages, softening productivity and weaker corporate profits growth.

Broadly, EM growth has not only been constrained by modest demand growth amongst DM economies, but also by significant domestic constraints. In particular, there has been rapid escalation in domestic credit extension amongst EM countries in the post-recession environment. A shift to riskier off balance sheet bank lending in some implies greater financial sector stability risk, including in China. In the latter, IMF data shows an expanded measure of credit, which includes corporate bonds, trust loans and other sources of debt finance, is not far from 200% of GDP. While local government in China is responsible for a large share of new credit extension, the IMF notes the corporate sector is also a large borrower.

On inflation, DM headline CPI remained tepid in 2013, while in aggregate EM headline CPI was more elevated, but stable. Also, the annual advance in global core CPI has been remarkably subdued, remaining at less than 2 per cent in 2013. Indeed, apart from the period in the immediate aftermath of the credit crunch when inflation slowed sharply, global core inflation has been steady at close to its current low level for at least a decade.

Against this backdrop monetary policy in DM remained loose through last year. Indeed, soft inflation in the Euro area prompted the ECB to cut interest rates in November 2013, while maintaining its forward guidance, which suggests its key interest rates will remain at a low level for an extended period.

ECONOMIC & MARKET REVIEW (CONTINUED)*for the year ended 31 December 2013***Economic Review (continued)**

Also, even though the US has taken its first steps towards monetary policy “normalisation” the Federal Open Market Committee has been keen to differentiate between “tapering” its asset purchases and increasing its policy rate. The Fed’s balance sheet activity should be viewed separately from its interest rate policy. Although complementary, these two instruments have two separate objectives. The former seeks to promote financial stability. The latter is focused on macroeconomic stability.

Finally, on fiscal policy in the US, ongoing differences in opinion on the appropriate fiscal policy framework resulted in the temporary, partial shutdown of the federal government in October 2013 and gridlock in the US Congress over whether or not to raise the US government debt limit. A temporary suspension of the debt ceiling until February 2014 was eventually agreed to.

Global Equity Overview

2013 started with a similar optimism to that seen in 2012 and 2011, but in 2013 things developed differently, and well before year-end the “risk-on, risk-off” environment that had become so prevalent previously, was left behind for this market cycle. Equity markets produced positive absolute returns in all quarters of the year, to end one of the strongest years for equities over recent history. For the year global equity markets, as measured by the MSCI World Index, rose by 26.68%, in US dollar terms. Consistent with the initial optimism at the start of the year, equity markets rose by more than 5% in January, and this was then consolidated in February, before markets moved higher in March, to lead to a quarterly gain of a little under 8%. While this was not as strong as the first quarter of 2012, the difference was that the second quarter of 2013 did not decline as had happened in 2012.

Towards the end of May 2013 the US Federal Reserve’s announcement that they were beginning to consider reducing their quantitative easing, which has become known as tapering, caught the market by surprise. This led to a market wobble and caused equity markets to decline by almost 2.5% in June 2013. It was not enough however to wipe out the gains from earlier in the quarter, although the quarter was only modestly positive, but positive nonetheless. The market spent much of the third quarter debating as to when the US Federal Reserve would commence such a tapering strategy, with most seeing September as the most likely time. This period also served to provide the only other month besides June in 2013 to see equity markets decline, which was in August 2013, when equity markets decreased by just over 2%. The market was then somewhat surprised in September when for a variety of factors tapering did not commence, and in practice it was only in December that the Federal Reserve announced that tapering would commence in January 2014. Consequently, September saw the market rise 5%, and lead to the market’s strongest quarter of the year, with a return of just over 8%. This positive environment continued into and throughout the fourth quarter which saw the market rise almost another 8%.

With the strong positive sentiment for the year it is unsurprising that the market made positive progress in all the developed market regions. However, there were some significant regional disparities. The North American market led the way rising 29.57%. This was relatively closely followed by Japan which rose by 27.16%, although this market rose significantly more in local terms, with the weakness of the Japanese yen being the factor that held it back. Europe also kept in touch with this pack with a rise of just over 25%. The clear laggard was in the developed Asia Pacific excluding Japan region which only rose 5.49%. This region was impacted by the weakness of Emerging Markets, which under-performed developed markets significantly during 2013. For the year Emerging Markets were not even able to produce a positive return and they declined by 2.60% for the year. All sectors produced positive absolute returns, led by the Consumer Discretionary sector which rose nearly 40%, while Health Care, Industrials and Telecommunication Serves all rose more than 30%. Materials were the laggard rising only 3.43%, while Utilities were also relatively weak with a rise of only 12.61%.

ECONOMIC & MARKET REVIEW (CONTINUED)*for the year ended 31 December 2013***Global Fixed Income Overview**

2013 was a mixed year for fixed income markets. The historically low level of yields that many developed markets had reached by the end of 2012 had surprised many investors, so 2013 was always likely to be a challenging environment. The major developed markets like the USA, Japan and UK, and then also the euro-zone in certain ways, continued with their extremely loose monetary policy stance throughout 2013. This had the effect of keeping interest rates very low at the front-end of the curve, but despite some attempts the remainder of the curve did, in certain markets, move higher. While central bank policy had become largely co-ordinated in the battle against deflation and the financial crisis, signs emerged during 2013 that divergence will occur, and this is going to be significantly more visible in 2014.

The low level of sovereign yields meant there was an asymmetrical profile for the likely movement in interest rates. Given the absolute levels achieved prior to 2013, investors were prepared to consider the possibility of even lower rates in 2013, but the balance of probabilities suggested that the prevailing level of yields were not sustainable. With continuing signs of global growth recovering, it was unsurprising that yield levels started to move higher. This saw global bond markets decline in each of the three months of the first quarter and, as measured by the Barclays Capital Global Aggregate Bond Index, produce a decline of 2.10% for the first quarter. The market then recovered somewhat in April, but the US Federal Reserve comments in May, led to a significant decline again and this was followed by material weakness in June, causing bond markets to have their weakest quarter of the year, and to fall 2.79%.

The uncertainty around the Federal Reserve's tapering policy led global bond markets to have some respite during the third quarter, and this enabled them to deliver their only positive absolute return quarter of the year with a rise of 2.80%. This respite was short lived and during the fourth quarter investors once again turned negative on bonds, encouraged by the increasing signs of global economic growth, and so for the fourth quarter global bonds declined by 0.44%. Consequently for the year as a whole bond markets delivered an absolute return of 2.60%. This shows what a difficult year 2013 has been for bond investors, and it contrasts sharply with the performance of equity markets. Interestingly global bond markets and emerging equity markets produced almost an identical return for 2013.

In contrast to the wider market, there were segments of the global bond market that performed relatively well in 2013. In the sovereign space many of these were European peripheral countries, whose yield levels started 2013 at historically elevated levels. The financial concerns around the majority of these countries reduced significantly during 2013, and with them came a corresponding fall in yields. This led these countries to produce positive absolute returns despite the backdrop of the wider global bond market environment. Another area of the global bond market that did relatively better was in non-sovereign markets. While these areas were significantly held back by the underlying sovereign market they did provide some respite from the rising sovereign yield environment.

Economic Outlook

The lift in momentum in the global economy towards the end of 2013 is reflected in relatively firm retail sales data and a concomitant lift in manufacturing production, although global capital expenditure data has been more mixed. On balance, positive growth momentum is expected to be maintained in 2014.

However, in Europe, specifically, although the region emerged from recession during 2013, growth has been soft with mixed outcomes between countries. Credit extension in the Euro area is weak and the region faces a protracted period of adjustment to boost its competitiveness.

ECONOMIC & MARKET REVIEW (CONTINUED)

for the year ended 31 December 2013

Economic Outlook (continued)

Also, although progress has been made towards a banking union in the Euro area, unhealthy banks, which need to be recapitalised, and the debt overhang of sovereigns and corporations continue to pose risks.

Meanwhile, on risks to the outlook, the US Congress must agree to raise the US debt limit. Moreover, there is a pressing need for China to address the excessive level of debt in its economy, which includes the corporate sector. A clampdown on credit extension would ostensibly slow fixed investment spending growth.

Overall, despite the apparent success of quantitative easing a return to sustained robust growth in the US and elsewhere amongst DM seems unlikely anytime soon against a backdrop of high government debt levels, which must be stabilised and reduced against the backdrop of unfavourable demographics, and the tightening of financial market regulations in recent years, which is constraining activity.

Meanwhile, the focus of investors has been maintained in early 2014 on EM countries that are running twin deficits and/or have elevated levels of credit relative to the size of their economies. Amidst general downward pressure on EM currencies in early 2014, Argentina devalued the peso as the country's foreign exchange reserves fell markedly against a backdrop of deteriorating economic fundamentals and a small outright decline in GDP growth in 3Q13.

While these factors imply some EM countries face policy challenges and are vulnerable, EM exports and production should benefit if the nascent improvement in DM domestic demand in late 2013 is maintained, even though the response is likely to be mixed. Indeed, indications are, excluding China and India, industrial production in EM Asia gathered momentum towards the end of last year from its slowdown in mid-2013.

Given the current outlook for moderate growth and subdued inflation, monetary policy is expected to remain accommodative in DM through 2014. It should be mentioned one risk to the inflation outlook is any unsustainable fiscal position. But, should inflation in the US remain subdued, tapering of asset purchases need not automatically equate to earlier or more aggressive hikes in the US policy rate than currently indicated by the US Federal Reserve Bank's forecasts. If so, the Fed may remain on hold until the latter half of 2015.

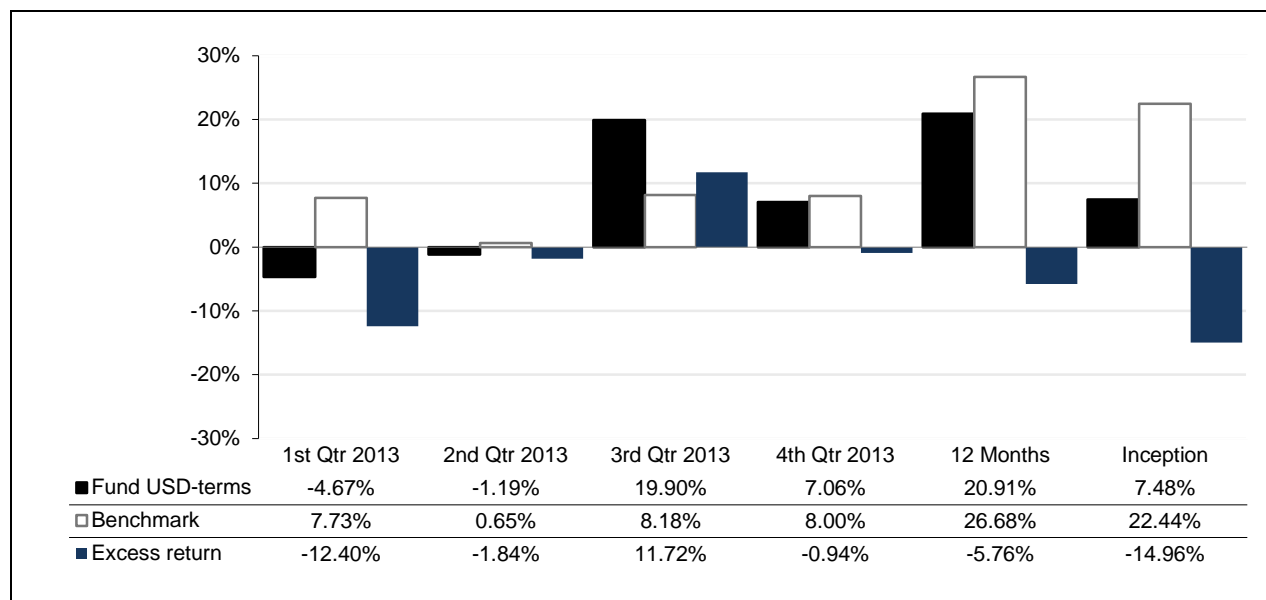
Elsewhere, the weakness of economic activity and low inflation in the Euro area suggest further monetary policy easing by the ECB is more likely than tightening in the foreseeable future.

SANLAM INSTITUTIONAL EQUITY FLEXIBLE FUND

Investment Objective

The Sanlam Institutional Equity Flexible Fund (“the Fund”) aims to provide long-term capital growth by investing globally across all financial markets in a diverse range of instruments primarily investing in equity and equity type instruments.

Fund Performance



Note: Fund benchmark is MSCI World. Performance figures longer than 12 months are annualised. Figures are quoted gross of fees.

2013 proved to be a challenging year for the Fund. The Fund produced a substantial positive gain of nearly 21% in absolute terms, but it lagged its benchmark, the MSCI World Index. The Fund’s benchmark rose 26.68% for 2013, and so consequently, the Fund under-performed by 5.76% for the year. The Fund’s performance started the year poorly, with double-digit under-performance in the first quarter, while the only relief in the second quarter was that the under-performance was not nearly of the same magnitude. However, the third quarter did see a very positive relative period, where the Fund produced out-performance almost enough to offset the first quarter, though the Fund was still well behind its benchmark at this point on a year-to-date basis. In the fourth quarter the Fund under-performed by almost another 1%. As a function of this, the Fund continues to remain well behind its benchmark, and has continued to lose ground during 2013. The Fund is now around 15% behind its benchmark since inception.

Fund Outlook

While equity markets had a strong rally in 2013, the Fund’s concentrated regional-sector equity positioning meant that the Fund’s securities were not best placed to benefit from the overall market rally. The signs of life from the third quarter of 2013 are encouraging for the future, but while the extent of the under-performance going forward might be much reduced there remains a reasonable chance that under-performance, albeit to a much lower extent, will continue in the near-term. Equity markets overall, however, are expected to produce a positive absolute return, and so there is no material reason not to expect this Fund’s concentrated equity exposure to at least deliver a positive return during 2014. At some future point the Fund’s specific sector exposure is likely to rally, and potentially rally hard, but the time-frame, and path to that point, remains very unclear. In the near term then continued under-performance, of a lower magnitude, than seen over the past, is probably likely to continue.

Investment Manager

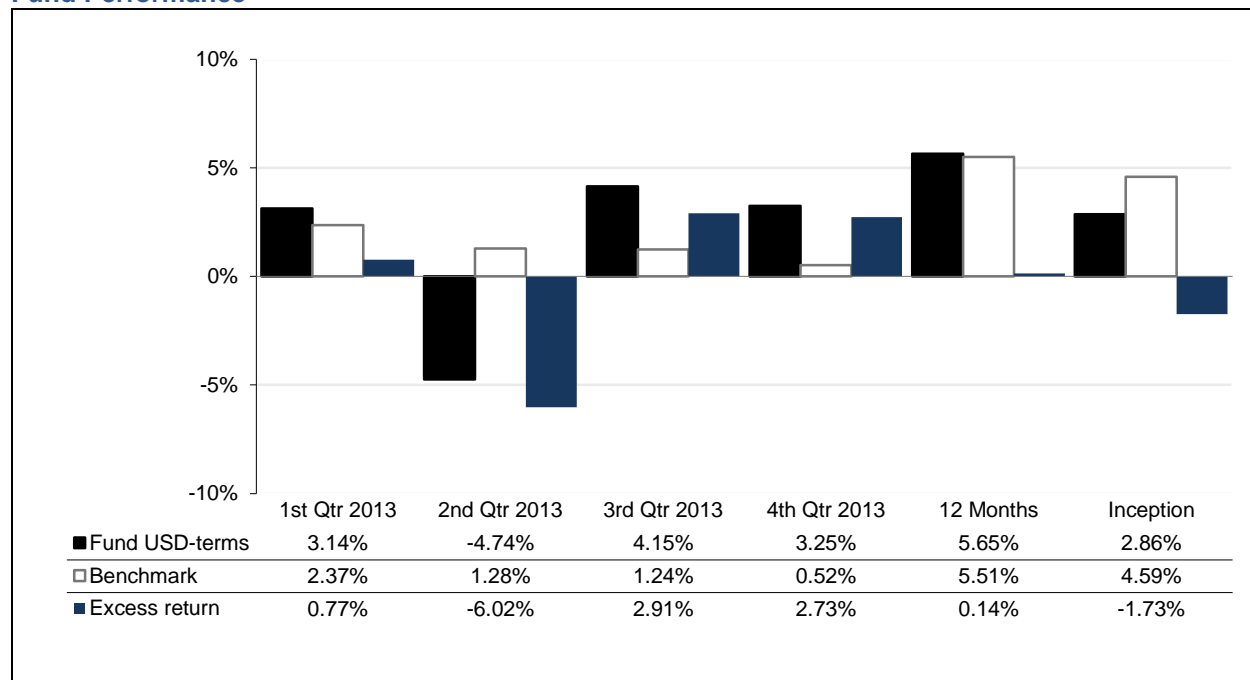
Sanlam Investment Management (Pty) Limited.

SANLAM DREXEL HAMILTON MULTI-ASSET REAL RETURN FEEDER FUND

Investment Objective

The investment objective of Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund (“the Fund”) is to seek real return. There is no guarantee that the Fund will meet its investment objective.

Fund Performance



Note: Fund benchmark is US CPI +4%. Performance figures longer than 12 months are annualised. Figures are quoted gross of fees.

2013 was the first full year of performance for this Fund, which started in October 2012. For the year, the Fund gained 5.65%, while its benchmark, the US Consumer Price Index (CPI) +4%, rose 5.51%, hence the Fund out-performed by 0.14% for the year. The Fund delivered strong positive returns in the first quarter of the year, and successfully out-performed its benchmark, but the second quarter saw the Fund undergo a significant wobble. In that quarter the Fund declined 4.74%, while its benchmark gained 1.28%, leading to under-performance of just over 6%. However, the Fund stuck to its positioning, and was rewarded by two very strong relative quarters in the second half of the year, with out-performance of between +2.7% and +3.0% for both periods. This meant that the Fund recovered much of its losses from the second quarter, and due to the Fund’s strong opening quarter, the Fund was able to out-perform for the year. The Fund has delivered a positive absolute return since inception, but it finds itself 1.73% behind its benchmark since inception.

Fund Outlook

This Fund will seek to add value through investing in a range of different asset classes, and to move the Fund’s exposure to the most attractive areas, whilst avoiding or being underweight to the least attractive areas. The Fund’s investments will contain equities, fixed income securities and cash, plus potentially other asset classes. Despite the strong performance of equities during 2013, the negative outlook for bonds means that the Fund will continue to invest heavily in equities. The equity exposure will be primarily North American and Global in nature. The overall asset allocation exposure continues to be managed actively in order to deliver on the Fund’s long-term objectives. Security selection effects from within the various asset classes are also an expected source of out-performance for the Fund over the long-term.

Investment Manager

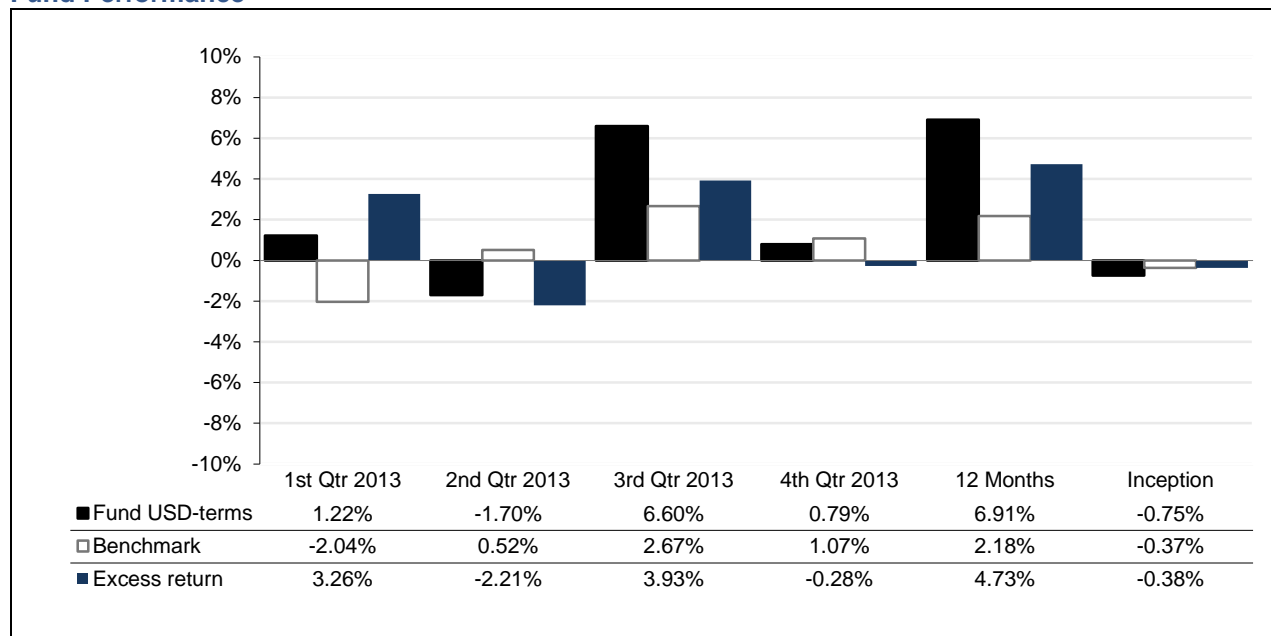
Sanlam International Investments Limited.

SANLAM INSTITUTIONAL BALANCED FUND

Investment Objective

The Sanlam Institutional Balanced Fund (“the Fund”) aims to provide long-term capital growth by investing globally across all financial markets in a diverse range of instruments.

Fund Performance



Note: Fund benchmark is Composite benchmark (45% US/ 40% EU/ 15% GB). Performance figures longer than 12 months are annualised. Figures are quoted gross of fees.

For 2013, the Fund had a good year, compared to its benchmark (45% 7 Day USD LIBID, 40% 7 Day EUR LIBID and 15% 7 Day GBP LIBID). The Fund produced a return of 6.91%, whilst its benchmark rose 2.18%, hence the Fund out-performed by nearly 5%. However, the Fund failed to out-perform global equity markets in 2013, which delivered a return of almost 27%, as measured by the MSCI World Index, though the Fund did out-perform global fixed income markets, as measured by the Barclays Capital Global Aggregate Index, which delivered a return of -2.60% for 2013. The Fund performed very strongly relative to its benchmark in the first quarter, but then gave much of this back in the second quarter, only to more than regain the out-performance in the third quarter. Finally, in the fourth quarter the Fund slightly lagged its benchmark. Despite the Fund’s strong performance in 2013, the Fund is still lagging its benchmark since inception, but the magnitude of the under-performance has been significantly reduced.

Fund Outlook

With the divergence in performance between bonds and equities in 2013, one might initially expect that the outlook and stance for a balanced universe was clear. However, somewhat conversely, the consensus view remains to be overweight to equities and underweight to bonds. This Fund continues with its long adopted flavour of that stance, and is not expected to change this in the foreseeable future. Bonds remained challenged by the historically low level of yields prevailing, and the market’s expectations of rising interest rates, while equities, which have progressed in 2013 primarily due to margin expansion, are no longer cheap. The equity market now requires corporate earnings to materialise in order to consolidate the gains seen during 2013. Overall increased investor confidence, and the improving outlook for global economic growth, especially in the developed world should lead to earnings growth being delivered, but this is likely to be subject to various regional differences. Generally, there is more reason for optimism at the start of 2014 compared to 2013, not least because of the continued recovery from the global economic and financial crisis.

Investment Manager

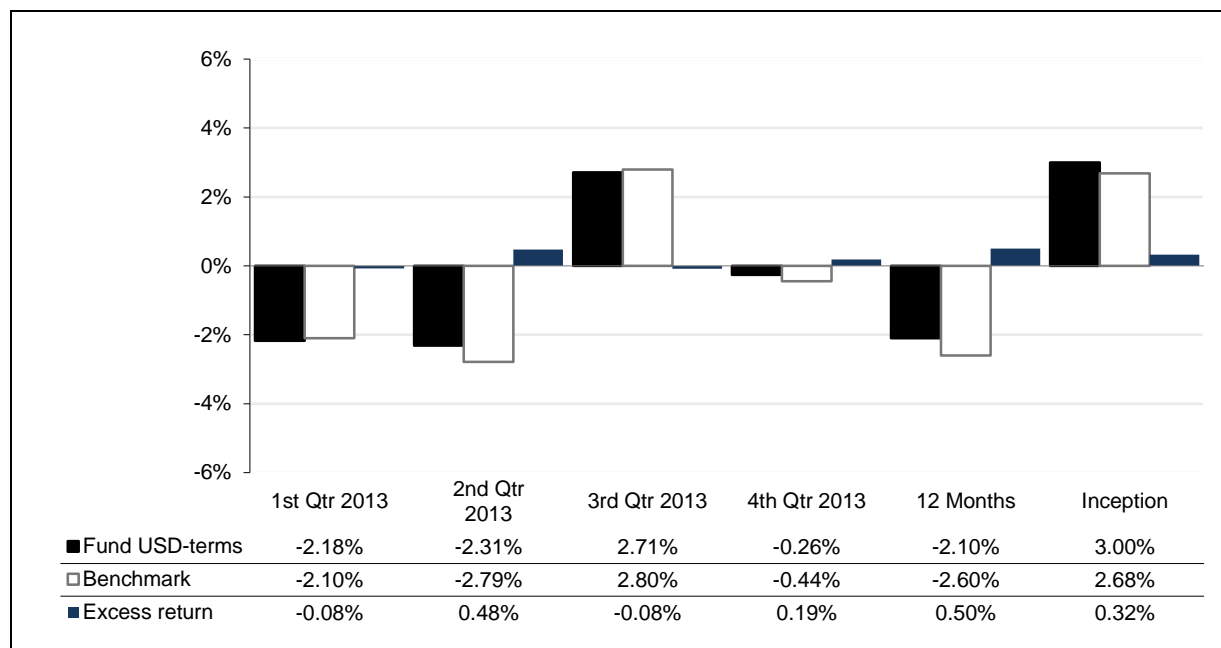
Sanlam Investment Management (Pty) Limited.

SANLAM INSTITUTIONAL BOND FUND

Investment Objective

The Sanlam Institutional Bond Fund (“the Fund”) aims to provide long-term capital growth by investing some or all of its assets in shares of the Sanlam Universal Bond Fund, a sub fund of Sanlam Universal Funds plc.

Fund Performance



Note: Fund benchmark is Barclays Capital Global Aggregate. Performance figures longer than 12 months are annualised. Figures are quoted gross of fees.

The Fund had a reasonable year during 2013. For the year, the Fund declined 2.10%, while its benchmark, the Barclays Global Aggregate Index fell by 2.60%, hence the Fund out-performed by 0.50%. This out-performance was driven both by out-performance of the Fund’s component parts, but also by the additional allocation to the global corporate bond market, to the end of August 2013, which had a relatively better part-year than sovereign fixed income securities. Despite the Fund only out-performing in two of the four quarters, it performed relatively well, because its under-performance in the first and third quarters was contained, and because of the extent of the out-performance in the other two quarters the Fund managed to out-perform for the year. Unfortunately, however the Fund was powerless to stop the overall decline in the global bond market in 2013, and so the absolute returns for 2013 were negative. Since inception the Fund has risen 3%, and is now out-performing its benchmark by just over 0.32%.

SANLAM INSTITUTIONAL BOND FUND *(continued)*

Fund Outlook

Given the Fund has disinvested from its allocation to the global corporate bond market during 2013, this Fund's allocation will be determined more visibly by the broader global bond market in 2014 and beyond. The outlook for fixed income markets remains a concern. With the rise in yields seen in 2013, there now exists some possibility for yields to drift lower again in 2014, however the consensus thinking is that yield levels, at least in the developed world will continue to drift upwards in 2014, and thus positive absolute returns are going to be difficult to deliver. However, coupon receipts are likely to mean that fixed income can still deliver a positive return during 2014, albeit a small one. One area of the global sovereign market that could definitely see yields tighten in 2013 is the European periphery, for example Italy, Spain and Ireland, these countries and others have seen their yields levels fall substantially during 2013, and there remains a continued convergence with that of the German market. On this basis those markets could easily deliver positive absolute returns, but a significant part of the overall fall in yields in these countries has already been witnessed in 2013. Generally, the consensus view is that 2014 will continue to be a very difficult year for global fixed income markets, though there is significant debate as to whether it will be as challenging as 2013 turned out to be.

Investment Manager

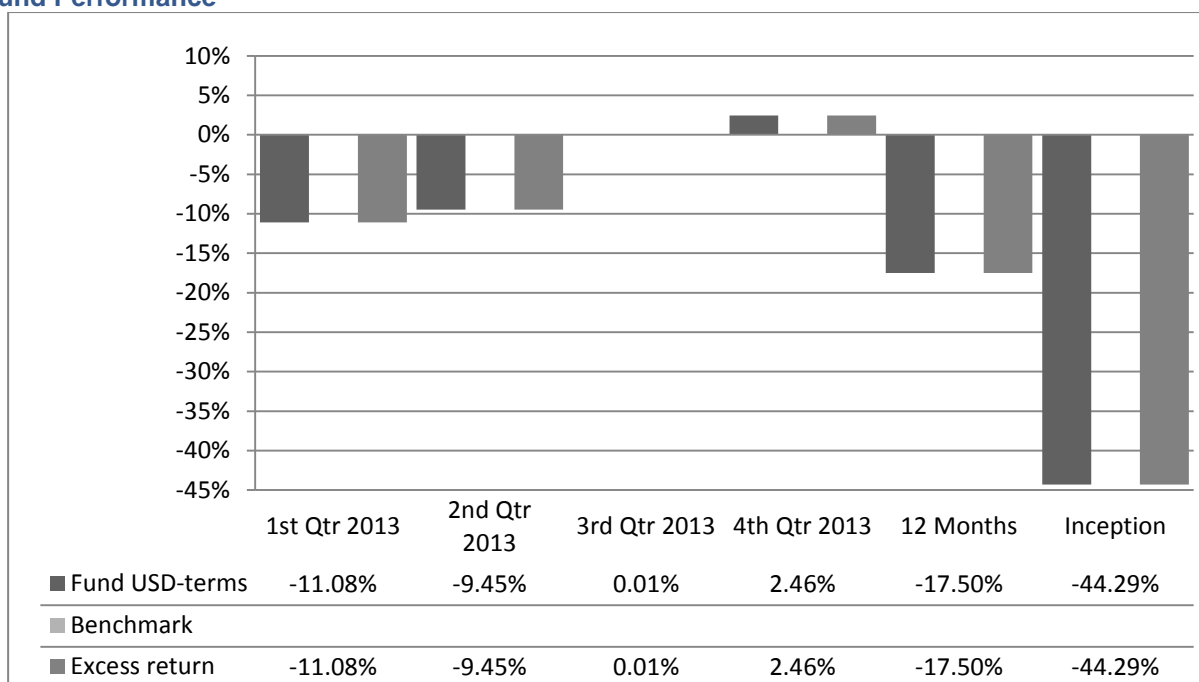
Sanlam Investment Management (Pty) Limited.

SANLAM CREDIT INCOME FUND (FORMERLY SANLAM DUAL LISTED ARBITRAGE FUND)

Investment Objective

The investment objective of the Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) (“the Fund”) is to provide a total return to investors, comprising of periodic income distributions and long-term capital growth, by investing exclusively in listed bonds issued by African sovereigns, corporates and financial institutions.

Fund Performance



Note: The Fund is not managed against a specific benchmark, but aims to achieve an absolute return which is measured against global emerging market indices comprised of similar types of debt instruments. Performance figures longer than 12 months are annualised. Figures are quoted gross of fees.

The Fund underwent changes to the investment objectives and policies during 2013 and was renamed from the Sanlam Dual Listed Arbitrage Fund to the Sanlam Credit Income Fund. The functional currency of the Fund was also amended from ZAR to USD. For the period up to September 2013, the Fund held only cash and so there was no performance for the first three quarters. Since the changes to the Fund were made in September, the Fund has achieved a satisfactory performance, returning 2.46% for Q4. Emerging market bond indices such as the JPM CEMBI and the JPM NEXGEM achieved 4th quarter returns of -0.43% and 1.28% respectively. Credit spreads of the underlying assets in the portfolio has generally narrowed since September contributing to the steady price appreciation of the portfolio.

Fund Outlook

Africa is well-positioned to achieve strong growth in the future. Although the African listed bond market is currently dominated by South African issuances, it is expected that an increasing number of African sovereign and private sector entities will access the debt capital markets to fund growth opportunities and this will be beneficial from a diversification and return perspective.

Investment Manager

Sanlam Investment Management (Pty) Limited.

SANLAM QUALIFYING INVESTORS FUNDS PLC

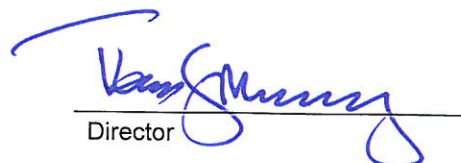
STATEMENT OF COMPREHENSIVE INCOME OF THE COMPANY for the year ended 31 December 2013

	Year ended 31 December 2013 USD	Year ended 31 December 2012 USD
Investment income		
Net gains on financial assets and liabilities at fair value through profit or loss – held for trading	51,236,068	33,136,738
Income from financial assets at fair value through profit or loss	21,354,223	35,763,437
Income from stock lending	384,363	569,067
Bank interest	17,316	1,307,306
Other income	20,854	-
Net investment income	73,012,824	70,776,548
Operating expenses		
Management fee	(5,444,777)	(5,563,769)
Administration fees	(224,408)	14,379
Other operating expenses	(201,543)	(188,085)
Custody fees	(124,031)	(66,014)
Audit fee	(68,931)	(60,799)
Directors' fees	(25,415)	(28,497)
Total operating expenses	(6,089,105)	(5,892,785)
Operating profit	66,923,719	64,883,763
Finance costs		
Interest expense	(800)	-
Income equalization	(6,943,446)	197,685
Profit before tax	59,979,473	65,081,448
Withholding tax	(3,603,543)	(4,694,442)
Change in net assets attributable to holders of redeemable participating shares	56,375,930	60,387,006

The annual audited financial statements were approved by the Board of Directors on 28 April 2014.



Director



Director

The attached notes form an integral part of these annual audited financial statements.

STATEMENTS OF COMPREHENSIVE INCOME OF THE FUNDS

for the year ended 31 December 2013

	Sanlam Institutional Equity Flexible Fund USD	Sanlam Drexel Hamilton Multi- Asset Real Return Feeder Fund USD	Sanlam Institutional Balanced Fund USD	Sanlam Institutional Bond Fund USD	Sanlam Global Corporate Bond Fund USD	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) USD
Investment income						
Net gains/(losses) on financial assets and liabilities fair at fair value through profit or loss – held for trading	38,767,384	2,170,597	11,436,205	(2,041,950)	(815,387)	938,698
Income from financial assets at fair value through profit or loss	5,465,888	1,533	15,485,805	-	-	402,530
Income from stock lending	377,120	-	7,243	-	-	-
Bank interest	-	-	-	-	11	15,772
Other income	2,727	-	5,908	4,602	5,362	2,255
Net investment income/(deficit)	44,613,119	2,172,130	26,935,161	(2,037,348)	(810,014)	1,359,255
Operating expenses						
Management fee	(1,884,557)	(84,868)	(2,548,841)	(912,289)	-	(14,222)
Administration fees	(70,670)	(17,353)	(89,653)	(40,127)	(1,997)	(4,608)
Other operating expenses	(44,976)	(17,501)	(54,499)	(24,617)	(45,240)	(14,710)
Custody fees	(30,000)	(3,500)	(42,100)	(42,000)	(619)	(5,812)
Audit fee	(8,490)	(16,980)	(8,491)	(5,660)	(15,211)	(14,099)
Directors' fees	(9,094)	(1,141)	(10,524)	(3,859)	(481)	(316)
Total operating expenses	(2,047,787)	(141,343)	(2,754,108)	(1,028,552)	(63,548)	(53,767)
Operating profit/(loss)	42,565,332	2,030,787	24,181,053	(3,065,900)	(873,562)	1,305,488
Finance costs						
Interest expense	-	(56)	-	(41)	-	(703)
Income equalization	(4,336,462)	-	(2,346,580)	(294,928)	92,899	(58,375)
Profit/(loss) before tax	38,228,870	2,030,731	21,834,473	(3,360,869)	(780,663)	1,246,410
Withholding tax	(1,052,573)	-	(2,550,970)	-	-	-
Change in net assets attributable to holders of redeemable participating shares	37,176,297	2,030,731	19,283,503	(3,360,869)	(780,663)	1,246,410

STATEMENTS OF COMPREHENSIVE INCOME OF THE FUNDS (CONTINUED)

for the year ended 31 December 2012

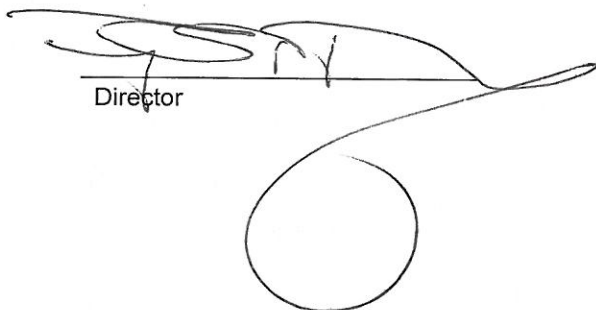
	Sanlam Institutional Equity Flexible Fund USD	Sanlam Drexel Hamilton Multi-Asset Real Return USD	Sanlam Institutional Balanced Fund USD	Sanlam Institutional Bond Fund USD	Sanlam Global Corporate Bond Fund USD	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) USD (Restated)
Investment income						
Net gains/(losses) on financial assets and liabilities fair at fair value through profit or loss – held for trading	(14,256,388)	(3,147,104)	43,671,862	8,202,259	2,515,147	(1,348,956)
Income from financial assets at fair value through profit or loss	15,436,622	3,198,420	17,128,395	-	-	-
Income from stock lending	569,067	-	-	-	-	-
Bank interest	1,591	-	1,441	(147)	4	1,304,417
Net investment income/(deficit)	1,750,892	51,316	60,801,698	8,202,112	2,515,151	(44,539)
Operating expenses						
Management fee	(2,188,179)	(16,710)	(2,429,326)	(884,649)	-	(44,905)
Administration fees	(2,501)	(754)	6,726	16,705	15,495	(21,292)
Other operating expenses	(45,586)	(4,249)	(46,745)	(9,940)	(18,215)	(63,350)
Custody fees	(22,688)	(880)	(36,316)	(1,494)	3,016	(7,652)
Audit fee	(5,559)	(4,295)	(10,002)	(8,025)	(13,871)	(19,047)
Directors' fees	(10,062)	(279)	(2,387)	(12,940)	(1,534)	(1,295)
Total operating expenses	(2,274,575)	(27,167)	(2,518,050)	(900,343)	(15,109)	(157,541)
Operating profit/(loss)	(523,683)	24,149	58,283,648	7,301,769	2,500,042	(202,080)
Finance costs						
Income equalization	134,300	(4,184)	85	67,484	-	-
Profit/(loss) before tax	(389,383)	19,965	58,283,733	7,369,253	2,500,042	(202,080)
Withholding tax	(2,202,182)	-	(2,492,260)	-	-	-
Change in net assets attributable to holders of redeemable participating shares	(2,591,565)	19,965	55,791,473	7,369,253	2,500,042	(202,080)

SANLAM QUALIFYING INVESTORS FUNDS PLC

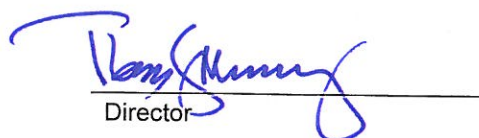
STATEMENT OF FINANCIAL POSITION OF THE COMPANY as at 31 December 2013

	31 December 2013 USD	31 December 2012 USD
Assets		
Cash and cash equivalents	2,525,012	6,739,000
Accrued income	640	1,572
Amounts receivable on issue of shares	997,652	-
Financial assets at fair value through profit or loss	755,779,673	798,505,093
Other debtors	103,001	201,344
	759,405,978	805,447,009
Liabilities		
Bank overdraft	(557,028)	(4,184)
Accrued expenses	(768,835)	(578,101)
Administration fees accrued	(41,321)	(20,131)
Amounts payable on purchases of securities	-	(1,148,669)
	(1,367,184)	(1,751,085)
Liabilities (excluding net assets attributable to holders of redeemable participating shares)		
Net assets attributable to holders of redeemable participating shares	758,038,794	803,695,924

The annual audited financial statements were approved by the Board of Directors on 28 April 2014.



 Director



 Director

The attached notes form an integral part of these annual audited financial statements.

STATEMENTS OF FINANCIAL POSITION OF THE FUNDS

as at 31 December 2013

	Sanlam Institutional Equity Flexible Fund USD	Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund USD	Sanlam Institutional Balanced Fund USD	Sanlam Institutional Bond Fund USD	Sanlam Global Corporate Bond Fund USD	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) USD
Assets						
Cash and cash equivalents	1,154,137	228,914	-	270,304	38,643	833,014
Accrued income	-	-	-	-	-	640
Amounts receivable on issue of shares	-	-	997,652	-	-	-
Financial assets at fair value through profit or loss	241,014,211	57,998,630	326,315,777	130,451,055	-	-
Other debtors	11,985	13,877	50,092	18,913	145	7,989
Total assets	242,180,333	58,241,421	327,363,521	130,740,272	38,788	841,643
Liabilities						
Bank overdraft	-	-	(557,028)	-	-	-
Accrued expenses	(201,379)	(42,688)	(263,401)	(174,211)	(37,338)	(49,818)
Administration fees accrued	(9,962)	-	(10,725)	(13,948)	(1,450)	(5,236)
Liabilities (excluding net assets attributable to holders of redeemable participating shares)	(211,341)	(42,688)	(831,154)	(188,159)	(38,788)	(55,054)
Net assets attributable to holders of redeemable participating shares	241,968,992	58,198,733	326,532,367	130,552,113	-	786,589

STATEMENTS OF FINANCIAL POSITION OF THE FUNDS

as at 31 December 2012

	Sanlam Institutional Equity Flexible Fund USD	Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund USD	Sanlam Institutional Balanced Fund USD	Sanlam Institutional Bond Fund USD	Sanlam Global Corporate Bond Fund USD	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) USD (Restated)
Assets						
Cash and cash equivalents	3,153,889	345,097	2,745,258	56,220	13,030	425,506
Accrued income	-	-	-	-	-	1,572
Financial assets at fair value through profit or loss	278,610,925	55,828,089	346,127,890	117,969,372	22,843,175	-
Other debtors	38,393	15,591	70,989	27,886	36,052	12,432
Total assets	281,803,207	56,188,777	348,944,137	118,053,478	22,892,257	439,510
Liabilities						
Bank overdraft	-	(4,184)	-	-	-	-
Accrued expenses	(188,766)	(15,837)	(228,507)	(102,364)	(15,526)	(27,101)
Administration fees accrued	-	(754)	-	(5,030)	(2,231)	(12,116)
Amounts payable on purchases of securities	(1,148,669)	-	-	-	-	-
Liabilities (excluding net assets attributable to holders of redeemable participating shares)	(1,337,435)	(20,775)	(228,507)	(107,394)	(17,757)	(39,217)
Net assets attributable to holders of redeemable participating shares	280,465,772	56,168,002	348,715,630	117,946,084	22,874,500	400,293

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF
REDEEMABLE PARTICIPATING SHARES OF THE COMPANY**

for the year ended 31 December 2013

	Year ended 31 December 2013	Year ended 31 December 2012
	USD	USD
Operating activities		
Change in net assets attributable to participating shareholders from operations	56,375,930	60,387,006
	<hr/>	<hr/>
Capital transactions		
Issue of shares during the year	65,550,242	283,076,049
Redemption of shares during the year	(167,583,302)	(122,816,011)
	<hr/>	<hr/>
Net (decrease)/increase in net assets attributable to holders of redeemable participating shares from capital transactions	(102,033,060)	160,260,038
	<hr/>	<hr/>
Net (decrease)/increase in net assets attributable to holders of redeemable participating shares in the year	(45,657,130)	220,647,044
	<hr/>	<hr/>
Net assets attributable to holders of redeemable participating shares at the beginning of the year	803,695,924	583,650,914
Exchange differences due to presentation of these financial statements in USD	-	(602,034)
	<hr/>	<hr/>
Net assets attributable to holders of redeemable participating shares at the end of the year	758,038,794	803,695,924
	<hr/> <hr/>	<hr/> <hr/>

The attached notes form an integral part of these annual audited financial statements.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO PARTICIPATING SHAREHOLDERS OF THE FUNDS

for the year ended 31 December 2013

	Sanlam Institutional Equity Flexible Fund USD	Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund USD	Sanlam Institutional Balanced Fund USD	Sanlam Institutional Bond Fund USD	Sanlam Global Corporate Bond Fund USD	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) USD
Operating activities						
Change in net assets attributable to participating shareholders from operations	37,176,297	2,030,731	19,283,503	(3,360,869)	(780,663)	1,246,410
Capital transactions						
Issue of shares during the year	12,983,932	-	1,030,780	24,550,115	-	26,985,415*
Redemption of shares during the year	(88,657,009)	-	(42,497,546)	(8,583,217)	(22,093,837)	(27,845,530)**
Net increase/(decrease) in net assets attributable to holders of redeemable participating shares from capital transactions	(75,673,077)	-	(41,466,766)	15,966,898	(22,093,837)	(860,115)
Net increase/(decrease) in net assets attributable to holders of redeemable participating shares in the year	(38,496,780)	2,030,731	(22,183,263)	12,606,029	(22,874,500)	386,295
Net assets attributable to holders of redeemable participating shares at the beginning of the year	280,465,772	56,168,002	348,715,630	117,946,084	22,874,500	400,294
Net assets attributable to holders of redeemable participating shares at the end of the year	241,968,992	58,198,733	326,532,367	130,552,113	-	786,589

*Subscriptions include in specie transfers from Sanlam Capital Markets (Pty) Limited during the year, in exchange for assets with a fair value at date of transfer of USD 26,985,415.

**Redemptions include in specie transfers to Sanlam Capital Markets (Pty) Limited during the year, in exchange for assets with a fair value at date of transfer of USD 27,845,530.

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO PARTICIPATING SHAREHOLDERS OF THE FUNDS (CONTINUED)

for the year ended 31 December 2012

	Sanlam Institutional Equity Flexible Fund USD	Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund USD	Sanlam Institutional Balanced Fund USD	Sanlam Institutional Bond Fund USD	Sanlam Global Corporate Bond Fund USD	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) USD (Restated)
Operating activities						
Change in net assets attributable to participating shareholders from operations	(2,591,565)	19,965	55,791,473	7,369,253	2,500,042	(202,080)
Capital transactions						
Issue of shares during the year	179,314,452*	91,813,902**	5,185,594	6,762,101	-	-
Redemption of shares during the year	(34,307,021)	(35,665,865)	(3,485,545)	(15,836,616)	-	(33,520,964)
Net increase/(decrease) in net assets attributable to holders of redeemable participating shares from capital transactions	145,007,431	56,148,037	1,700,049	(9,074,515)	-	(33,520,964)
Net increase/(decrease) in net assets attributable to holders of redeemable participating shares in the year	142,415,866	56,168,002	57,491,522	(1,705,262)	2,500,042	(33,723,044)
Net assets attributable to holders of redeemable participating shares at the beginning of the year	138,049,906	-	291,224,108	119,651,346	20,374,458	34,725,371
Exchange differences due to presentation of these financial statements in USD	-	-	-	-	-	(602,034)
Net assets attributable to holders of redeemable participating shares at the end of the year	280,465,772	56,168,002	348,715,630	117,946,084	22,874,500	400,293

*Subscriptions include in specie transfers from SAMI during the year, in exchange for assets with a fair value at date of transfer of USD 171,537,482.

**Subscriptions include in specie transfers from Sanlam Global Equity Fund during the year, in exchange for assets with a fair value at date of transfer of USD 35,776,773.

STATEMENT OF CASH FLOWS OF THE COMPANY
for the year ended 31 December 2013

	2013	2012
	USD	USD
Cash flows from operating activities		
Purchases of financial assets and settlement of financial liabilities	(411,567,307)	(294,859,608)
Proceeds from sale of investments (including realised gains)	527,749,319	288,943,336
Dividends received	17,750,680	27,870,574
Interest received	15,876	1,263,854
Income from stock lending received	384,363	569,067
Other income received	20,854	-
Operating expenses paid	(7,114,616)	(5,842,277)
	<hr/>	<hr/>
Net cash inflow from operating activities	127,239,169	17,944,946
	<hr/>	<hr/>
Cash flows from financing activities		
Proceeds from redeemable participating shares issued	64,552,590	75,761,794
Redemption of redeemable participating shares	(189,677,139)	(121,739,785)
Income equalisation	(6,947,630)	197,686
	<hr/>	<hr/>
Net cash used in financing activities	(132,072,179)	(45,780,305)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(4,833,010)	(27,835,359)
	<hr/>	<hr/>
Cash and cash equivalents at the start of the year	6,739,000	36,848,161
Exchange gains/(losses) on cash and cash equivalents	61,994	(2,277,986)
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	1,967,984	6,734,816
	<hr/> <hr/>	<hr/> <hr/>

The attached notes form an integral part of these annual audited financial statements.

STATEMENTS OF CASH FLOWS OF THE FUNDS

for the year ended 31 December 2013

	Sanlam Institutional Equity Flexible Fund	Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund	Sanlam Institutional Balanced Fund	Sanlam Institutional Bond Fund	Sanlam Global Corporate Bond Fund	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund)
	USD	USD	USD	USD	USD	USD
Cash flows from operating activities						
Purchases of financial assets and settlement of financial liabilities	(180,757,142)	-	(158,882,348)	(45,295,805)	-	(26,632,013)
Proceeds from sale of investments (including realised gains)	257,048,427	-	190,313,059	30,772,172	22,027,788	27,587,874
Dividends received	4,413,315	-	12,934,835	-	-	402,530
Interest received	-	1,477	-	(41)	11	14,429
Income from stock lending received	377,120	-	7,243	-	-	-
Other income received	2,727	-	5,908	4,602	5,362	2,255
Operating expenses paid	(3,147,473)	(113,476)	(2,687,592)	(938,814)	(6,610)	(220,651)
Net cash inflow/(outflow) from operating activities	77,936,974	(111,999)	41,691,105	(15,457,886)	22,026,551	1,154,424
Cash flows from financing activities						
Proceeds from redeemable participating shares issued	12,983,932	-	33,128	24,550,115	-	26,985,415
Redemption of redeemable participating shares	(88,657,009)	-	(42,497,546)	(8,583,217)	(22,093,837)	(27,845,530)
Income equalisation	(4,336,462)	(4,184)	(2,346,580)	(294,928)	92,899	(58,375)
Net cash provided by/(used in) financing activities	(80,009,539)	(4,184)	(44,810,998)	15,671,970	(22,000,938)	(918,490)
Net increase/(decrease) in cash and cash equivalents	(2,072,565)	(116,183)	(3,119,893)	214,084	25,613	235,934
Cash and cash equivalents at the start of the year	3,153,889	345,097	2,745,258	56,220	13,030	425,506
Exchange gains/(losses) on cash and cash equivalents	72,813	-	(182,393)	-	-	171,574
Cash and cash equivalents at the end of the year	1,154,137	228,914	(557,028)	270,304	38,643	833,014

STATEMENTS OF CASH FLOWS OF THE FUNDS (CONTINUED)
for the year ended 31 December 2012

	Sanlam Institutional Equity Flexible Fund USD	Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund USD	Sanlam Institutional Balanced Fund USD	Sanlam Institutional Bond Fund USD	Sanlam Global Corporate Bond Fund USD	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) USD (Restated)
Cash flows from operating activities						
Purchases of financial assets and settlement of financial liabilities	(217,354,519)	(20,000,000)	(52,295,939)	(5,209,150)	-	-
Proceeds from sale of investments (including realised gains)	234,607,079	-	40,430,973	15,162,300	35,000	(1,292,017)
Dividends received	13,234,440	-	14,636,134	-	-	-
Interest received	1,591	-	1,441	(147)	4	1,260,965
Income from stock lending received	569,067	-	-	-	-	-
Operating expenses paid	(2,193,884)	(26,167)	(2,527,551)	(934,791)	(27,718)	(132,166)
Net cash inflow/(outflow) from operating activities	28,863,774	(20,026,167)	245,058	9,018,212	7,286	(163,218)
Cash flows from financing activities						
Proceeds from redeemable participating shares issued	7,776,970	56,037,129	5,185,594	6,762,101	-	-
Redemption of redeemable participating shares	(34,307,021)	(35,665,865)	(3,485,545)	(15,836,616)	-	(32,444,737)
Income equalisation	134,300	(4,184)	86	67,484	-	-
Net cash provided by/(used in) financing activities	(26,395,751)	20,367,080	1,700,135	(9,007,031)	-	(32,444,737)
Net increase/(decrease) in cash and cash equivalents	2,468,023	340,913	1,945,193	11,181	7,286	(32,607,955)
Cash and cash equivalents at the start of the year	887,036	-	1,197,747	44,957	5,743	34,712,678
Exchange gains/(losses) on cash and cash equivalents	(201,170)	-	(397,682)	82	1	(1,679,217)
Cash and cash equivalents at the end of the year	3,153,889	340,913	2,745,258	56,220	13,030	425,506

PORTFOLIO OF INVESTMENTS OF SANLAM INSTITUTIONAL EQUITY FLEXIBLE FUND
as at 31 December 2013

Nominal	Security	Classification	Fair Value USD	% of Net Assets
Financial assets at fair value through profit or loss				
Equity - 38.34%				
Austria – 5.77%				
1,838,241	Telekom Austria AG		13,949,646	5.77%
Total Austria			13,949,646	5.77%
Belgium – 6.73%				
549,580	Belgacom SA		16,294,936	6.73%
Total Belgium			16,294,936	6.73%
France – 6.10%				
1,190,350	Orange		14,770,647	6.10%
Total France			14,770,647	6.10%
Italy – 6.84%				
16,638,270	Telecom Italis Spa		16,539,629	6.84%
Total Italy			16,539,629	6.84%
Netherlands – 6.59%				
4,935,870	Royal KPN NV		15,944,772	6.59%
Total Netherlands			15,944,772	6.59%
Spain – 6.31%				
936,024	Telefonica SA		15,273,465	6.31%
Total Spain			15,273,465	6.31%
Total Equity			92,773,095	38.34%
Collective Investment Scheme - 61.26%				
51,433,790	Sanlam Europe (ex UK) Equity Tracker Fund		59,277,443	24.50%
51,446,769	Sanlam Equity Allocation Fund		58,541,279	24.19%
27,760,191	Sanlam UK Equity Tracker Fund		30,422,394	12.57%
Total Collective Investment Scheme			148,241,116	61.26%
Total financial assets at fair value though profit or loss			241,014,211	99.60%
Cash and cash equivalents			1,154,137	0.48%
Other net assets and liabilities			(199,356)	(0.08%)
Net assets attributable to holders of redeemable participating shares			241,968,992	100.00%

PORTFOLIO OF INVESTMENTS OF SANLAM DREXEL HAMILTON MULTI-ASSET REAL RETURN FEEDER FUND
as at 31 December 2013

Nominal	Security	Classification	Fair Value USD	% of Net Assets
Financial assets at fair value through profit or loss				
Collective Investment Scheme - 99.66%				
5,954,685	Drexel Hamilton Multi Asset Real Return Fund		57,998,630	99.66%
Total Collective Investment Scheme			57,998,630	99.66%
Total financial assets at fair value through profit or loss			57,998,630	99.66%
Cash and cash equivalents			228,914	0.39%
Other net assets and liabilities			(28,811)	(0.05%)
Net assets attributable to holders of redeemable participating shares			58,198,733	100.00%

PORTFOLIO OF INVESTMENTS OF SANLAM INSTITUTIONAL BALANCED FUND
as at 31 December 2013

Nominal	Security	Classification	Fair Value USD	% of Net Assets
Financial assets at fair value through profit or loss				
Equity - 99.93%				
Australia - 11.04%				
13,570,000	Westfield Retail Trust		36,052,330	11.04%
Total Australia			36,052,330	11.04%
European Union - 11.56%				
305,110	Cofinimmo		37,754,891	11.56%
Total European Union			37,754,891	11.56%
France - 11.28%				
425,867	Fonciere Des Regions		36,844,277	11.28%
Total France			36,844,277	11.28%
Great Britain - 11.65%				
3,651,403	British Land Co Plc		38,031,669	11.65%
Total Great Britain			38,031,669	11.65%
Netherlands - 22.2%				
785,716	Corio NV		35,288,431	10.81%
471,910	Wereldhave NV		37,197,153	11.39%
Total Netherlands			72,485,584	22.20%
Switzerland - 11.46%				
482,044	Swiss Prime Site AG		37,432,679	11.46%
Total Switzerland			37,432,679	11.46%
United States - 20.74%				
948,000	HCP Inc		34,431,360	10.55%
621,299	Health Care Reit Inc		33,282,987	10.19%
Total United States			67,714,347	20.74%
Total Equity			326,315,777	99.93%
Total financial assets at fair value though profit or loss			326,315,777	99.93%
Cash and cash equivalents			(557,028)	(0.17%)
Other net assets and liabilities			773,618	0.24%
Net assets attributable to holders of redeemable participating shares			326,532,367	100.00%

PORTFOLIO OF INVESTMENTS OF SANLAM INSTITUTIONAL BOND FUND

as at 31 December 2013

Nominal	Security	Classification	Fair Value USD	% of Net Assets
Financial assets at fair value through profit or loss				
Collective Investment Scheme - 99.92%				
Sanlam Universal Funds Plc - 99.92%				
92,067,934	Sanlam Global Bond Fund		130,451,055	99.92%
Total Sanlam Universal Fund Plc			130,451,055	99.92%
Total Financial assets at fair value though profit or loss			130,451,055	99.92%
Cash and cash equivalents			270,304	0.21%
Other net assets and liabilities			(169,246)	(0.13%)
Net assets attributable to holders of redeemable participating shares			130,552,113	100.00%

**PORTFOLIO OF INVESTMENTS OF SANLAM CREDIT INCOME FUND (FORMERLY
SANLAM DUAL LISTED ARBITRAGE FUND)**

as at 31 December 2013

Nominal	Security	Classification	Fair Value USD	% of Net Assets
			833,014	105.90%
			(46,425)	(5.90%)
Net assets attributable to holders of redeemable participating shares			786,589	100.00%

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS*for the year ended 31 December 2013***1. General – The Company**

The Company is an investment company with variable capital and was incorporated on 11 September 2009 with registration number 475202 under the laws of Ireland and authorised under Part XIII of the Companies Act, 1990 as a designated open-ended investment company pursuant to Section 256 of that Act. The Company is domiciled in Ireland.

At 31 December 2013, the Company comprised five separate investment sub-funds (“Fund(s”). The Articles of Association of the Company provides segregated liability between the various Funds. A list of Funds active during the period and their status at the year end is set out below:

Name	Status at 31 December 2013
Sanlam Institutional Equity Flexible Fund	Active
Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund	Active
Sanlam Institutional Balanced Fund	Active
Sanlam Institutional Bond Fund	Active
Sanlam Global Corporate Bond Fund	Closed on 30 August 2013
Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund)	Active

Prices

There is a single price for buying, selling and switching Share classes in each Fund. This is represented by the Net Asset Value per Share class of the relevant fund. In the case of subscriptions, a preliminary charge of up to 5% may be added to the Net Asset Value per Share class of all Funds. A conversion fee of up to 2% may be charged on applications to convert Shares of any class to Shares of another class. A repurchase fee of up to 3% may be deducted from the Net Asset Value per Share class of all Funds.

Dealing

The Dealing Day is, except where otherwise clarified in the Prospectus, any day other than Saturday or Sunday on which banks are open for business in Dublin or London for the Sanlam Institutional Bond Fund and the Sanlam Institutional Balanced Fund. The valuation point is, except where otherwise clarified in the Prospectus, the close of business in each relevant market on the Business Day immediately preceding a Dealing Day.

The Dealing Day is, except where otherwise clarified in the Prospectus, any day other than Saturday or Sunday on which banks are open for business in Dublin for the Sanlam Institutional Equity Flexible Fund, Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund and the Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund). The valuation point is, except where otherwise clarified in the Prospectus, the close of business in each relevant market on the Business Day immediately preceding a Dealing Day.

Shares

Applications for Shares must be sent so as to arrive at the Administrator’s office, as detailed below, no later than 4.00pm (Irish time) on the Business Day preceding the relevant Dealing Day, or such later time as the Directors may from time to time permit. Applications which are received late, or Funds which are not cleared by the relevant time, will be held over and invested at the next Dealing Day.

Requests for repurchases should be sent so as to arrive at the Administrator’s office by post, by facsimile or telex by no later than 4.00pm on the Business Day preceding the relevant Dealing Day.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)

for the year ended 31 December 2013

1. General – The Company (continued)

Shares (continued)

As at 31 December 2013, the following Share Classes were admitted to the official list of the Irish Stock Exchange.

Fund	Share Class	Launch Date
Sanlam Institutional Equity Flexible Fund	A	20 September 2011
	B	16 January 2012
Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund	A	12 October 2012
Sanlam Institutional Balanced Fund	A	1 June 2011
	C	1 June 2011
Sanlam Institutional Bond Fund	A	12 April 2011
	C	12 April 2011
	E	17 January 2011
Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund)	A (USD)	30 November 2011

Minimum Subscription

The minimum initial investment for each of the Funds is as follows:

Fund	Class A Shares	Class A (USD) Shares	Class B Shares	Class C Shares	Class E Shares
Sanlam Institutional Equity Flexible Fund	€1,000,000	-	€1,000,000	-	-
Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund	€1,000,000	-	-	-	-
Sanlam Institutional Balanced Fund	€100,000	-	€150,000	€100,000	-
Sanlam Institutional Bond Fund	€100,000	-	€150,000	€100,000	none
Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund)	-	€100,000	-	-	-

There is no minimum additional investment amount required for the Share classes of the Funds. Only Qualifying Investors, as defined in the prospectus, may invest in the Funds.

2. Significant Accounting Policies

a) Basis of preparation

The financial statements have been prepared in accordance with Irish Statute comprising the Companies Acts, 1963 to 2013 under the historical cost convention as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss. The financial statements are prepared in US Dollars and on a going concern basis.

**NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)**

for the year ended 31 December 2013

2. Significant accounting policies (continued)**a) Basis of preparation (continued)**

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and interpretations adopted by the International Accounting Standard Board ("IASB").

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

All references to net assets throughout this document refer to net assets attributable to holders of redeemable participating shares, unless otherwise stated.

The statement of financial position presents assets and liabilities in decreasing order of liquidity and does not distinguish between current and non-current items.

b) Significant accounting judgments and estimates

The preparation of the Fund's financial statements requires management to make judgments, estimates and assumptions that affect the amounts recognised in the financial statements. 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 the future.

Going Concern

The Fund's management has made an assessment of the Fund's ability to continue as a going concern and is satisfied that the Fund will have 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 Fund's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Fair Value of Financial instruments

When the fair value of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be determined based on quoted prices in an active market, they are determined using an appropriate valuation technique. The valuation techniques employed by the Company and the judgements, estimates and assumptions associated with them are disclosed in note 2(d).

Investment Entity Status

The Company's management has determined that the Company has all of the typical characteristics of an investment entity as set out in paragraph 28 of IFRS 10.

c) Income recognition

Interest income and expense are recognised in the Statement of Comprehensive Income for all debt instruments using the effective interest rate method.

Dividends are recognised as income on the dates the securities are first quoted "ex dividend" to the extent that information thereon is reasonably available to the relevant Fund. Bank deposit interest and other income are accounted for on an accruals basis. Income which is subject to a deduction of tax at source is shown gross of such withholding tax. Withholding tax recoverable is accounted for on a receipts basis. Franked investment income (which comprises most of the UK source dividend income) is shown net of the notional tax credit.

**NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)**

for the year ended 31 December 2013

2. Significant accounting policies (continued)**d) Investment transactions and valuations****(i) Classification**

In accordance with IAS 39 *Financial Instruments: Recognition and Measurement* ("IAS 39"), the Funds have classified all of their investments as financial assets and liabilities at fair value through profit or loss. The category of financial assets and financial liabilities at fair value through profit or loss comprises:

- Financial assets or financial liabilities held for trading: these are instruments which are either acquired for generating a profit from short term fluctuations in price or dealer margins, or are included in a portfolio where a pattern of short term trading exists. Under IAS 39, derivatives and short positions are always classified as held for trading. All derivatives in a net receivable position (positive fair value) are reported as financial assets. All derivatives in a net payable position (negative fair value) are reported as financial liabilities.
- Financial assets or financial liabilities designated at fair value through profit or loss upon initial recognition: Financial assets are designated at fair value through profit or loss upon initial recognition if the investments are managed and purchase and sale decisions are made based on their fair value in accordance with the Funds' documented risk management or investment strategy.

At 31 December 2013 and 2012, the Funds classified their investments as held for trading. All other financial assets are classified as loans and receivables and are carried at amortised cost using the effective interest rate method, less impairment losses, if any.

Financial liabilities that are not held for trading comprise of balances due to brokers and all other liabilities. These are carried at amortised cost using the effective interest rate method, less impairment losses, if any.

(ii) Recognition

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

A regular way purchase of financial assets is recognised using trade date accounting. From this date any gains or losses arising from changes in the fair value of the financial assets or liabilities are recorded in profit or loss in the statement of comprehensive income.

Financial liabilities are not recognised unless one of the parties has performed or the contract is a derivative contract not exempted from the scope of IAS 39.

**NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)**

for the year ended 31 December 2013

2. Significant accounting policies (continued)**d) Investment transactions and valuations (continued)****(iii) Measurement and fair value measurement principles****Initial measurement**

Financial instruments are measured initially at fair value (transaction price) plus, in the case of financial assets or financial liabilities not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities.

Transaction costs on financial assets or financial liabilities at fair value through profit or loss are expensed immediately while on other financial instruments they are amortised. Transaction costs are included within commission and other charges in the statement of comprehensive income.

Subsequent measurement

Subsequent to initial recognition, financial assets and financial liabilities at fair value through profit or loss are measured at fair value, with changes in their fair value recognised as gains or losses in the statement of comprehensive income in the period in which they arise.

Loans and receivables are measured at amortised cost using the effective interest rate method, less impairment losses, if any.

Financial liabilities that are not at fair value through profit or loss are measured at amortised cost using the effective interest rate method.

Financial liabilities arising from the redeemable shares issued by the Funds are carried at the redemption amount representing the investor's right to a residual interest in the Funds' assets.

Fair value measurement principles

The Company has adopted IFRS 13, *Fair value measurement* ("IFRS 13") effective from 1 January 2013. Prior to 1 January 2013, fair value measurements were based on quoted bid prices for long securities and quoted offer prices for short securities in accordance with IAS 39.

From 1 January 2013, the fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives, trading securities and exchange-traded funds) are based on the last reported sales price at the close of trading on the reporting date, if the last reported sales price falls within the bid-ask spread. However, if the last reported sales price falls outside the bid-ask spread, Management will determine the point within the bid-ask spread that is most representative of fair value.

Assets not listed, or traded on any stock exchange or over-the-counter market, are valued at their fair value as determined with care and in good faith by the Administrator in consultation with the relevant Investment Manager and approved by the Directors (the Administrator having to be approved by the Custodian as a competent person for such purpose).

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2013

2. Significant accounting policies (continued)

d) Investment transactions and valuations (continued)

(iii) Measurement and fair value measurement principles (continued)

Fair value measurement principles (continued)

Collective investment schemes – investments in open-ended collective investment schemes are valued at the latest available unaudited net asset value. Closed ended schemes which are traded as liquid schemes are valued at bid price at the year end or if unavailable, a mid quotation from a broker or, if unavailable or unrepresentative, the latest available unaudited net asset value as deemed relevant to the collective investment scheme.

Derivative instruments – exchange-traded derivative instruments are valued at the settlement price for such instruments as determined on the specific market. If such a price is not available the fair value shall be the probable realisation value estimated by the Investment Manager and, if applicable, approved by the Directors.

Over-the-counter derivative instruments are valued at the settlement price as provided by the counterparty and verified by a competent person on a monthly basis, and approved for such a purpose by the Custodian, which may be the relevant Investment Manager provided that he is independent of the counterparty.

Forward foreign exchange contracts are valued with reference to the prevailing market maker quotations, namely the price at which a new forward contract of the same maturity could be undertaken or, if unavailable, at the settlement price provided by the counterparty.

(iv) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with IAS 39. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

The Company uses the first-in-first-out (FIFO) method to determine realised gains and losses on derecognition. Realised gains and losses on derecognition are included in the statement of comprehensive income.

(v) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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 liability simultaneously.

e) Foreign currency translation

Functional and presentation currency

Items included in each Fund's individual financial statements are measured using the currency of the primary economic environment in which it operates ('the functional currency'). This is the US Dollar (USD) for each Fund.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)

for the year ended 31 December 2013

2. Significant accounting policies (continued)

e) Foreign currency translation (continued)

Functional and presentation currency (continued)

The Company has adopted the US Dollar as its presentation currency. Where necessary, each Fund's financial position is translated from its functional currency to the presentation currency, as follows:

- assets and liabilities, including net assets attributable to holders of redeemable participating shares, are translated at the closing rate at each Statement of Financial Position date. Exchange differences arising between the rate of translation of subscriptions and the holders of redeemable participating shares; and
- income and expenses for each Statement of Comprehensive Income are translated at average exchange rates.

During the year ended 31 December 2013, Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) changed its functional currency from South African Rand (ZAR) to USD. This does not represent a change in accounting policy of the Company since the presentation currency of the Company remains USD.

In accordance with IAS 21 *The Effects of Changes in Foreign Exchange Rates*, a change in functional currency applies prospectively. However, in order to enhance the comparability of the comparative information presented for the Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund), the comparative information for the year ended 31 December 2012 has been presented in USD.

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 year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Proceeds from subscriptions and amounts paid on redemption of redeemable participating shares are translated at monthly average rates, which approximate the rates prevailing at the dates of the transactions. Translation differences on non-monetary items, such as equities, held at fair value through profit and loss are reported as part of their fair value gain or loss.

f) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts are included within liabilities.

g) Margin accounts

Margin accounts represent the exchange-traded futures contracts margin deposit amounts held with brokers.

**NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)**

for the year ended 31 December 2013

2. Significant accounting policies (continued)**h) Distribution Policy**

The Directors have no current intention to make distributions from any Fund. All such profits shall be retained in the relevant Fund.

i) Consolidation

As detailed in note 2(j), the Company has adopted IFRS 10 *Consolidated Financial Statements* and has early adopted Investment Entities *Amendments to IFRS 10, IFRS 12 and IAS 27*. The Company has determined that it is an investment entity in accordance with paragraph 27 of IFRS 10. Information about the significant judgements and assumptions made in determining that the Company is an investment entity is disclosed in note 2(b). As an investment entity, the Company is required to account for its investment in subsidiaries, if any, at fair value through profit or loss. The Company does not present consolidated financial statements since it is required to measure all of its subsidiaries at fair value through profit or loss.

j) Changes in accounting policy and disclosures**Standards and amendments to existing standards effective 1 January 2013****IFRS 13, Fair value measurement ("IFRS 13")**

This standard is effective for annual periods beginning on or after 1 January 2013 and accordingly has been adopted for the first time in the current period. This standard improves consistency and reduces complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS.

If an asset or a liability measured at fair value has a bid price and an ask price, the standard requires valuation to be based on a price within the bid-ask spread that is most representative of fair value and allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurement within a bid-ask spread. On adoption of the standard, the Company changed its valuation inputs for listed financial assets and liabilities to last traded prices to be consistent with the inputs prescribed in the Company's prospectus for the calculation of its per share trading value for subscriptions and redemptions.

The use of last traded prices is recognised as a standard pricing convention within the industry. In the prior year, the Company utilised bid and ask prices for its listed financial assets and liabilities in accordance with IAS 39. As a result of this change, there is no difference at 31 December 2013 between the net asset value per share for shareholder dealing and the net asset value per share for financial reporting purposes. The differences at 31 December 2012 are reconciled at note 19.

The change in valuation inputs is considered to be a change in estimate in accordance with IAS 8.

IFRS 7, (Amendment) Financial Instruments: Disclosures ("IFRS 7")

The amendment, issued in December 2011, amended the required disclosures to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. This change will be applicable for annual periods beginning on or after 1 January 2013. The Directors consider that the adoption of the amendment did not have any impact on the financial position or performance of the Company. The Company has provided disclosures in note 10.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

2. Significant accounting policies (continued)

j) Changes in accounting policy and disclosures (continued)

Standards effective after 1 January 2013 that have been early adopted by the Fund

IFRS 10, Consolidated Financial Statements (“IFRS 10”)

The Company has elected to early adopt IFRS 10. IFRS 10 was issued on 12 May 2011 and replaces the previous consolidation requirements in IAS 27 and SIC-12. The standard provides for a single basis for consolidation based on control. It provides detailed guidance on how to apply the control principle in a number of situations, including agency relationships and holdings of potential voting rights. The IASB has also issued IFRS 11, IFRS 12 and revised versions of IAS 27 and IAS 28 and these four standards must be applied at the same time as IFRS 10.

Further amendments to IFRS 10 were introduced by Investment Entities (*Amendments to IFRS 10, IFRS 12 and IAS 27*), issued on 31 October 2012. This amendment defines an investment entity and sets out an exception to consolidating the subsidiaries of an investment entity. The Directors consider that the Company meets the definition of an investment entity and accordingly is required to value its investments in subsidiaries at fair value and to not consolidate.

Adoption of the amendment did not have any impact on the financial position or performance of the Company as the Company did not consolidate under the existing requirements of IAS 27.

IAS 32, (Amendment) Financial Instruments: Presentation (“IAS 32”)

The amendment, issued in December 2011, clarified the requirements for offsetting financial instruments. The amendment addresses inconsistencies in current practices when applying the offsetting criteria of IAS 32, *Financial Instruments, Presentation*. The amendment will be applicable for annual periods beginning on or after 1 January 2014 and are required to be applied retrospectively. The Directors consider that the adoption of the amendment did not have any impact on the financial position or performance of the Company.

(k) Standards, interpretations and amendments to published standards that are not yet effective

The following new standards, amendments to standards and interpretations that may be relevant to investment funds have been issued to date and are not yet effective for these financial statements of the Company for the year ended 31 December 2013, and have not been applied nor early adopted in preparing these financial statements:

Standard:	Narrative:	Effective date Annual periods beginning on or after
IFRS 9	Financial Instruments: Classification and Measurement	Open

**NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)**

for the year ended 31 December 2013

2. Significant accounting policies (continued)**k) Standards, interpretations and amendments to published standards that are not yet effective
(continued)****IFRS 9 *Financial Instruments* ("IFRS 9")**

IFRS 9 was issued in November 2009 and represents the first part of a three-part project to replace IAS 39. IFRS 9 introduced new requirements for the classification and measurement of financial assets and liabilities.

The IASB have deferred the mandatory effective date of IFRS 9 from 1 January 2015, leaving the mandatory effective date open pending the finalisation of the impairment, and classification and measurement requirements. IFRS 9 is still available for early adoption. IFRS 9 is required to be applied retrospectively.

IFRS 9 uses business models and contractual cash flow characteristics to determine whether a financial asset is measured at amortised cost, fair value through profit or loss or fair value through other comprehensive income, replacing the four category classification in IAS 39. The approach is also based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. Most of the requirements for financial liabilities were carried forward unchanged from IAS 39. However, some changes were made to the fair value option for financial liabilities to address the issue of own credit risk.

On 19 November 2013, the IASB issued IFRS 9 *Financial Instruments (Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39)* amending IFRS 9 to include the new general hedge accounting model, allow early adoption of the treatment of fair value changes due to own credit on liabilities designated at fair value through profit or loss.

The impact of IFRS 9 may change and be postponed as a consequence of further developments resulting from the IASB's financial instruments project. As a result it is impracticable to quantify the possible impact of IFRS 9 on the financial statements of the Company.

**NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)**

for the year ended 31 December 2013

3. Taxation

The Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. It is not chargeable to Irish tax on its income or gains. Tax may arise on the happening of a chargeable event. A chargeable event includes any distribution payments to shareholders or any other encashment, redemption or transfer of shares. No tax will arise on the Company in respect of chargeable events in respect of:

- a shareholder who is not an Irish resident and not ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided the necessary signed statutory declarations are held by the Company; and
- certain exempted Irish resident investors who have provided the Company with the necessary signed statutory declarations.

Following legislative changes in the Finance Act 2006, the holding of shares at the end of a Relevant Period will, in respect of Irish Resident investors, also constitute a chargeable event. To the extent that any tax issues arise on such a chargeable event, such tax will be allowed as a credit against any tax payable on the subsequent encashment, redemption, cancellation of the relevant Shares.

Relevant Period is defined as a period of 8 years, beginning with the acquisition of a Share by a shareholder and each subsequent period of 8 years beginning immediately after the preceding relevant period.

Dividend income, interest and capital gains received by the Company may be subject to non-recoverable withholding tax in the countries of origin.

4. Share Capital**Redeemable Participating Shares**

The authorised share capital of the Company is 1,000,000,000,000 shares of no par value. Each Fund may issue one or more classes of Shares, and each class of Shares in a Fund may have different charging structures and different minimum initial investment amounts, minimum additional investment amounts and minimum shareholding requirements. Each class of Shares has a distinct fee structure as outlined in note 12.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)

for the year ended 31 December 2013

4. Share Capital (continued)

Redeemable Participating Shares (continued)

At 31 December 2013 and 31 December 2012, the following classes of shares (marked with ✓) were in issue and classes of shares (marked with -) were not in issue:

Fund	Class A				
	Class A	(USD)	Class B	Class C	Class E
Sanlam Institutional Equity Flexible Fund	✓	-	✓	-	-
Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund	✓	-	-	-	-
Sanlam Institutional Balanced Fund	✓	-	-	✓	-
Sanlam Institutional Bond Fund	✓	-	-	✓	✓
Sanlam Global Corporate Bond Fund	✓	-	-	-	✓
Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund)	-	✓	-	-	-

The redeemable participating shares are redeemable at the shareholders option and are classified as financial liabilities. They carry voting rights. The participating shares can be put back to the Company at any time for cash equal to a proportionate share of the Company's net asset value. The participating share is carried at the redemption amount that is payable at the Statement of Financial Position date if the shareholder exercises its right to put the share back to the Company.

The Shares issued by the Company are freely transferable and entitled to participate equally in the profits and dividends of the Company and in its net assets upon liquidation. The Shares, which are of no par value, carry no preferential or pre-emptive rights and are entitled to one vote each at all meetings of the relevant class of Shareholders. All Shares rank pari-passu.

Subscriber Shares

The equity share capital of the Company is EUR 5 represented by Subscriber Shares issued for the purposes of incorporation of the Company. These Shares are beneficially owned by the Manager. The Manager is an ultimate subsidiary of Sanlam Limited. The holder or holders of Subscriber Shares are entitled to one vote only in respect of all Subscriber Shares. The Subscriber Shares do not form part of Shareholders' Funds. They are thus disclosed in the financial statements by way of this note only. In the opinion of the Directors, this disclosure reflects the nature of the Company's business as an investment fund.

Participating share transactions for the year ended 31 December 2013:

Sanlam Institutional Equity Flexible Fund	Class A Shares	Class B Shares
Opening shares issued	273,437,603	17,399,292
Shares issued during the year	14,585,044	258,041
Shares redeemed during the year	(92,972,613)	(4,120,607)
Closing shares issued	195,050,034	13,536,726

	Class A USD	Class B USD
Subscriptions during the year	12,724,253	259,679
Redemptions during the year	(84,395,069)	(4,261,940)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

4. Share Capital (continued)

Subscriber Shares (continued)

Sanlam Drexel Hamilton Multi-Asset Real Return Fund	Class A Shares		
Opening shares issued	56,330,852		
Shares issued during the period	-		
Shares redeemed during the period	-		
Closing shares issued	56,330,852		
	Class A USD		
Subscriptions during the period	-		
Redemptions during the period	-		
Sanlam Institutional Balanced Fund	Class A Shares	Class C Shares	
Opening shares issued	366,088,501	18,597,737	
Shares issued during the year	706,608	438,150	
Shares redeemed during the year	(43,291,783)	(3,184,314)	
Closing shares issued	323,503,326	15,851,573	
	Class A USD	Class C USD	
Subscriptions during the year	643,940	386,840	
Redemptions during the year	(39,586,854)	(2,910,692)	
Sanlam Institutional Bond Fund	Class A Shares	Class C Shares	Class E Shares
Opening shares issued	10,379,528	595,415	10
Shares issued during the year	2,091,225	230,010	-
Shares redeemed during the year	(662,973)	(141,940)	-
Closing shares issued	11,807,780	683,485	10
	Class A USD	Class C USD	Class E USD
Subscriptions during the year	22,116,475	2,433,640	-
Redemptions during the year	(7,072,026)	(1,511,190)	-

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

4. Share Capital (continued)

Subscriber Shares (continued)

Sanlam Global Corporate Bond Fund	Class A Shares	Class E Shares
Opening shares issued	10	2,090,559
Shares issued during the year	-	-
Shares redeemed during the year	(10)	(2,090,559)
Closing shares issued	-	-

	Class A USD	Class E Shares
Subscriptions during the year	-	-
Redemptions during the year	(163)	(22,093,674)

Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund)	Class A (USD) Shares
Opening shares issued	61,646
Shares issued during the year	5,062,377
Shares redeemed during the year	(4,982,827)
Closing shares issued	141,196

	Class A (USD)
Subscriptions during the year	26,985,415
Redemptions during the year	(27,845,530)

Participating share transactions for the year ended 31 December 2012:

Sanlam Institutional Equity Flexible Fund	Class A Shares	Class B Shares
Opening shares issued	138,778,238	-
Shares issued during the year	165,842,673	21,422,125
Shares redeemed during the year	(31,183,308)	(4,022,833)
Closing shares issued	273,437,603	17,399,292

	Class A USD	Class B USD
Subscriptions during the year	157,841,274	21,473,178
Redemptions during the year	(30,517,942)	(3,789,079)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

4. Share Capital (continued)

Subscriber Shares (continued)

Sanlam Drexel Hamilton Multi-Asset Real Return Fund	Class A Shares		
Opening shares issued	-		
Shares issued during the period	92,107,625		
Shares redeemed during the period	(35,776,773)		
Closing shares issued	56,330,852		
	Class A USD		
Subscriptions during the period	91,813,902		
Redemptions during the period	(35,665,865)		
Sanlam Institutional Balanced Fund	Class A Shares	Class C Shares	
Opening shares issued	365,255,952	17,413,735	
Shares issued during the year	3,791,679	2,559,280	
Shares redeemed during the year	(2,959,130)	(1,375,278)	
Closing shares issued	366,088,501	18,597,737	
	Class A USD	Class C USD	
Subscriptions during the year	3,065,392	2,120,202	
Redemptions during the year	(2,379,040)	(1,106,505)	
Sanlam Institutional Bond Fund	Class A Shares	Class C Shares	Class E Shares
Opening shares issued	11,111,796	732,834	10
Shares issued during the year	425,853	211,333	-
Shares redeemed during the year	(1,158,121)	(348,752)	-
Closing shares issued	10,379,528	595,415	10
	Class A USD	Class C USD	Class E USD
Subscriptions during the year	4,537,841	2,224,260	-
Redemptions during the year	(12,101,920)	(3,734,696)	-

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

4. Share Capital (continued)

Subscriber Shares (continued)

Sanlam Global Corporate Bond Fund	Class A Shares	Class E Shares
Opening shares issued	10	2,090,559
Shares issued during the year	-	-
Shares redeemed during the year	-	-
Closing shares issued	10	2,090,559

	Class A USD	Class E Shares
Subscriptions during the year	-	-
Redemptions during the year	-	-

Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund)	Class A (USD) Shares
Opening shares issued	3,370,939
Shares issued during the year	-
Shares redeemed during the year	(3,309,293)
Closing shares issued	61,646

	Class A (USD) (Restated)
Subscriptions during the year	-
Redemptions during the year	(33,520,964)

5. Investments in subsidiaries

At 31 December 2013, the Funds have a majority holding in the following collective investment schemes:

Sanlam Institutional Equity Flexible Fund

Name	Country of incorporation	Geographic focus	Proportion of ownership interest held
Sanlam Europe (ex UK) Equity Tracker Fund	Ireland	Europe (ex-UK)	100.00%
Sanlam Equity Allocation Fund	Ireland	Global	88.58%
Sanlam UK Equity Tracker Fund	Ireland	United Kingdom	100.00%

Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund

Name	Country of incorporation	Geographic focus	Proportion of ownership interest held
Drexel Hamilton Multi-Asset Real Return Fund	United States	Global	100.00%

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)

for the year ended 31 December 2013

6. Net gains and losses on financial assets and liabilities at fair value through profit or loss

	Sanlam Institutional Equity Flexible Fund 31/12/2013 USD	Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund 31/12/2013 USD	Sanlam Institutional Balanced Fund 31/12/2013 USD	Sanlam Institutional Bond Fund 31/12/2013 USD
Realised	1,190,347	-	(15,315,158)	1,494,684
Unrealised	37,577,037	2,170,597	26,751,363	(3,536,634)
	38,767,384	2,170,597	11,436,205	(2,041,950)

	Sanlam Global Corporate Bond Fund 31/12/2013 USD	Sanlam Credit Income Fund (Sanlam Dual Listed Arbitrage Fund) 31/12/2013 USD
Realised	2,111,162	955,806
Unrealised	(2,926,549)	(17,108)
	(815,387)	938,698

	Sanlam Institutional Equity Flexible Fund 31/12/2012 USD	Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund 31/12/2012 USD	Sanlam Institutional Balanced Fund 31/12/2012 USD	Sanlam Institutional Bond Fund 31/12/2012 USD
Realised	17,334,091	-	(5,736,725)	720,924
Unrealised	(31,590,479)	(3,147,014)	49,408,587	7,481,335
	(14,256,388)	(3,147,014)	43,671,862	8,202,259

	Sanlam Global Corporate Bond Fund 31/12/2012 USD	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) 31/12/2012 USD (Restated)
Realised	2,737	(1,329,796)
Unrealised	2,512,410	(19,160)
	2,515,147	(1,348,956)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

7. Financial assets and liabilities at fair value through profit or loss

	Sanlam Institutional Equity Flexible Fund 31/12/2013 USD	Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund 31/12/2013 USD	Sanlam Institutional Balanced Fund 31/12/2013 USD	Sanlam Institutional Bond Fund 31/12/2013 USD
Financial assets at fair value through profit or loss				
Held for trading:				
Equity	92,773,095	-	326,315,777	-
Collective investment scheme	148,241,116	57,998,630	-	130,451,055
Total financial assets at fair value through profit or loss	241,014,211	57,998,630	326,315,777	130,451,055

	Sanlam Global Corporate Bond Fund 31/12/2013 USD	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) 31/12/2013 USD
Financial assets at fair value through profit or loss		
Held for trading:		
Equity	-	-
Collective investment scheme	-	-
Total financial assets at fair value through profit or loss	-	-

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

7. Financial assets and liabilities at fair value through profit or loss (continued)

	Sanlam Institutional Equity Flexible Fund 31/12/2012 USD	Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund Year ended 31/12/2012 USD	Sanlam Institutional Balanced Fund 31/12/2012 USD	Sanlam Institutional Bond Fund 31/12/2012 USD
Financial assets at fair value through profit or loss				
Held for trading:				
Equity	109,804,274	-	346,127,890	-
Exchange traded funds	168,806,651	-	-	-
Collective investment scheme	-	55,828,089	-	117,969,372
Total financial assets at fair value through profit or loss	278,610,925	55,828,089	346,127,890	117,969,372
		Sanlam Global Corporate Bond Fund 31/12/2012 USD	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) 31/12/2012 USD (Restated)	
Financial assets at fair value through profit or loss				
Held for trading:				
Equity		-	-	-
Exchange traded funds		-	-	-
Collective investment scheme		22,843,175	-	-
Total financial assets at fair value through profit or loss		22,843,175		-

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)

for the year ended 31 December 2013

8. Fair value of financial instruments

The following table shows financial instruments recognised at fair value. The fair value hierarchy shall have the following levels:

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

The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities.

Assets measured at fair value: Summary of the inputs used to value the Funds Net Assets as at 31 December 2013:

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
Sanlam Institutional Equity Flexible Fund				
Listed Equity	92,773,095	-	-	92,773,095
Collective Investment Scheme	148,241,116	-	-	148,241,116
Total financial assets at fair value through profit or loss	241,014,211	-	-	241,014,211

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund				
Collective Investment Scheme	-	57,998,630	-	57,998,630
Total financial assets at fair value through profit or loss	-	57,998,630	-	57,998,630

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
Sanlam Institutional Balanced Fund				
Listed Equity	326,315,777	-	-	326,315,777
Total financial assets at fair value through profit or loss	326,315,777	-	-	326,315,777

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
Sanlam Institutional Bond Fund				
Collective Investment Scheme	130,451,055	-	-	130,451,055
Total financial assets at fair value through profit or loss	130,451,055	-	-	130,451,055

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

8. Fair value of financial instruments (continued)

Assets measured at fair value: Summary of the inputs used to value the Funds Net Assets as at 31 December 2012:

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
Sanlam Institutional Equity Flexible Fund				
Listed Equity	109,804,274	-	-	109,804,274
Exchange Traded Funds	168,806,651	-	-	168,806,651
Total financial assets at fair value through profit or loss	278,610,925	-	-	278,610,925
Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund				
Collective Investment Scheme	-	55,828,089	-	55,828,089
Total financial assets at fair value through profit or loss	-	55,828,089	-	55,828,089
Sanlam Institutional Balanced Fund				
Listed Equity	346,127,890	-	-	346,127,890
Total financial assets at fair value through profit or loss	346,127,890	-	-	346,127,890
Sanlam Institutional Bond Fund				
Collective Investment Scheme	117,969,372	-	-	117,969,372
Total financial assets at fair value through profit or loss	117,969,372	-	-	117,969,372

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)

for the year ended 31 December 2013

8. Fair value of financial instruments (continued)

	Level 1	Level 2	Level 3	Total
Sanlam Global Corporate Bond Fund	USD	USD	USD	USD
Collective Investment Scheme	-	22,843,175	-	22,843,175
Total financial assets at fair value through profit or loss	-	22,843,175	-	22,843,175

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equities, exchange traded funds and collective investment schemes. The Fund does not adjust the quoted price for these instruments nor does it apply a discount to securities where the volume traded in the market is low to the Fund's holding.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include, illiquid government bonds, illiquid corporate bonds and listed equities and over-the-counter derivatives such as futures and forward currency contracts. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. Investments classified within level 3 have significant unobservable inputs, as they trade infrequently.

Significant transfers between levels

There were no significant transfers between levels in the years ended 31 December 2013 and 2012.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

9. Assets and liabilities not carried at fair value but for which fair value is disclosed

For all non-financial assets and liabilities at fair value through profit and loss, their carrying values are a reasonable approximation of fair value.

10. Offsetting financial assets and liabilities

IFRS 7 requires an entity to disclose information to enable users of its financial statements to evaluate the effect or potential effect of netting arrangements on the entity's financial position.

At 31 December 2013 and 2012, the Company does not hold any recognised financial instruments that are set off in accordance with paragraph 42 of IAS 32, nor any recognised financial instruments that are subject to an enforceable master netting arrangement or similar agreement. Accordingly no disclosure is required at 31 December 2013 or 2012.

11. Exchange rates

The following year ended 31 December 2013 and 31 December 2012 USD exchange rates have been used in this report:

USD =	31/12/2013	31/12/2012
CHF	0.8905	0.9155
EUR	0.7264	0.7583
GBP	0.6065	0.6153
ZAR	10.5290	8.4858

The following average USD exchange rates have been used in this report:

USD =	31/12/2013	31/12/2012
CHF	0.9277	0.9387
EUR	0.7532	0.7789
GBP	0.6401	0.6313
ZAR	0.1040	8.2134

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

12. Related party transactions and significant agreements

All related party transactions have been entered into and conducted under normal market conditions.

Significant Agreements

Manager

Pursuant to the Management and Administration Agreement effective 31 December 2012, SAMI acts as both Manager and Administrator to the Company. SAMI is an ultimate subsidiary company of Sanlam Limited. The Manager is entitled to receive an annual fee of the percentages listed below of the net assets per Share Class. These fees are payable monthly in arrears and accrued by reference to the net assets of the Share Class on a daily basis.

Fund	Class A	Class A (USD)	Class B	Class C	Class D	Class E
Sanlam Institutional Equity Flexible Fund	0.75%	-	0.85%		1.00%	-
Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund	0.15%	-	-	-	-	-
Sanlam Institutional Balanced Fund	0.75%	-	0.60%	0.85%	1.00%	-
Sanlam Institutional Bond Fund	0.75%	-	0.60%	0.85%	-	-
Sanlam Global Corporate Bond Fund	0.75%	-	0.60%	-	-	-
Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund)	-	0.20%	-	-	-	-

Administrator

SAMI, as the Administrator, is a related party of the Company. In its role as the Administrator SAMI is entitled to receive out of the assets of each Fund an annual fee of 0.025 - 0.03% of the net assets of the Fund, plus an annual fee ranging from USD 3,000 – USD 15,000 per annum. In addition, the Administrator is entitled to receive its reasonable costs and expenses incurred in the performance of its duties as Administrator of the Company. These fees shall accrue and be calculated on each dealing day and shall be payable monthly in arrears.

Prior to the current reporting period, J.P. Morgan Administration Services (Ireland) Limited acted as administrator to the Company.

J.P. Morgan remains as the appointed Registrar and Transfer Agent to the Company. Transfer agency fees are charged at normal commercial rates.

J.P. Morgan Administration Services (Ireland) Limited is not a related party of the Company.

The fees earned by the Administrator during the period and outstanding accrued fees as at 31 December 2013 are presented in the statement of comprehensive income and statement of financial position respectively.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)

for the year ended 31 December 2013

12. Related party transactions and significant agreements (continued)

Significant Agreements (continued)

Custodian

The Custodian is not a related party to the Company. The Custodian will be entitled to receive out of the assets of the Fund an annual fee which will not exceed 0.05% of the net assets of the Fund (plus VAT, if any), subject to the a minimum of €15,000 per Fund, together with reasonable costs and expenses incurred by the Custodian in the performance of its duties as Custodian of the Fund. These fees shall accrue and be calculated on each Dealing Day and shall be payable monthly in arrears. The Custodian shall also be entitled to be reimbursed, out of the assets of the Fund, all agreed sub-custodian fees, expenses and transaction charges (which will be charged at normal custodian rates).

Significant shareholders

Significant shareholders at year end 31 December 2013:

Shareholders	Fund	% held
Sanlam Life Insurance Ltd	Sanlam Institutional Equity Flexible Fund	88.02%
Sanlam Life Insurance Ltd	Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund	100.00%
Sanlam Life Insurance Ltd	Sanlam Institutional Balanced Fund	89.79%
Sanlam Life Insurance (Jersey) Ltd	Sanlam Institutional Bond Fund	22.98%
Sanlam Life Insurance Ltd	Sanlam Institutional Bond Fund	70.05%
Sanlam Investment Management For Sanlam	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund)	100.00%

Significant shareholders at year end 31 December 2012:

Shareholders	Fund	% held
Sanlam Life Insurance Ltd	Sanlam Institutional Equity Flexible Fund	92.16%
Sanlam Life Insurance Ltd	Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund	100.00%
Sanlam Life Insurance Ltd	Sanlam Institutional Balanced Fund	91.62%
Sanlam Life Insurance (Jersey) Ltd	Sanlam Institutional Bond Fund	26.12%
Sanlam Life Insurance Ltd	Sanlam Institutional Bond Fund	67.67%
Northern Trust Fiduciary (Services) Ireland Ltd	Sanlam Global Corporate Bond Fund	100.00%
Agulhas Nominees (Pty) Ltd	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund)	100.00%

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

12. Related party transactions and significant agreements (continued)

Management Fees

A summary of fees earned by the Manager during the year and outstanding accrued fees as at 31 December 2013 follows:

	Sanlam Institutional Equity Flexible Fund Year ended 31/12/2013 USD	Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund Period ended 31/12/2013 USD	Sanlam Institutional Balanced Fund Year ended 31/12/2013 USD	Sanlam Institutional Bond Fund Year ended 31/12/2013 USD
Fees incurred during the year				
Class A				
Management Fees	(1,744,044)	(84,868)	(2,411,861)	(857,860)
Class A (USD)				
Management Fees	-	-	-	-
Class B				
Management Fees	(140,513)	-	-	-
Class C				
Management Fees	-	-	(136,980)	(54,429)
Class E				
Management Fees	-	-	-	-
	(1,884,557)	(84,868)	(2,548,841)	(912,289)
Fees accrued at 31/12/2013				
Class A				
Management Fees	(150,870)	(7,348)	(205,093)	(83,909)
Class A (USD)				
Management Fees	-	-	-	-
Class B				
Management Fees	-	-	-	-
Class C				
Management Fees	-	-	-	-
Class E				
Management Fees	-	-	-	-
	(150,870)	(7,348)	(205,093)	(83,909)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

12. Related party transactions and significant agreements (continued)

Management Fees (continued)

	Sanlam Global Corporate Bond Fund Year ended 31/12/2013 USD	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) Year ended 31/12/2013 USD
Fees incurred during the year		
Class A Management Fees	-	-
Class A (USD) Management Fees	-	(14,222)
Class B Management Fees	-	-
Class C Management Fees	-	-
Class D Management Fees	-	-
Class E Management Fees	-	-
	-	(14,222)
Fees accrued at 31/12/2013		
Class A Management Fees	-	-
Class A (USD) Management Fees	-	(1,719)
Class B Management Fees	-	-
Class C Management Fees	-	-
Class D Management Fees	-	-
Class E Management Fees	-	-
	-	(1,719)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

12. Related party transactions and significant agreements (continued)

Management Fees (continued)

A summary of fees earned by the Manager during the year and outstanding accrued fees as at 31 December 2012 follows:

	Sanlam Institutional Equity Flexible Fund Year ended 31/12/2012 USD	Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund Period ended 31/12/2012 USD	Sanlam Institutional Balanced Fund Year ended 31/12/2012 USD	Sanlam Institutional Bond Fund Year ended 31/12/2012 USD
Fees incurred during the year				
Class A Management Fees	(2,039,618)	(16,710)	(2,303,961)	(821,984)
Class A (USD) Management Fees	-	-	-	-
Class B Management Fees	(148,561)	-	-	-
Class C Management Fees	-	-	(125,365)	(62,665)
Class E Management Fees	-	-	-	-
	(2,188,179)	(16,710)	(2,429,326)	(884,649)
Fees accrued at 31/12/2012				
Class A Management Fees	(166,402)	(7,406)	(208,585)	(71,020)
Class A (USD) Management Fees	-	-	-	-
Class B Management Fees	(12,502)	-	-	-
Class C Management Fees	-	-	(11,700)	(4,714)
Class E Management Fees	-	-	-	-
	(178,904)	(7,406)	(220,285)	(75,734)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

12. Related party transactions and significant agreements (continued)

Management Fees (continued)

	Sanlam Global Corporate Bond Fund Year ended 31/12/2012 USD	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) Year ended 31/12/2012 USD (Restated)
Fees incurred during the year		
Class A Management Fees	-	(44,905)
Class A (USD) Management Fees	-	-
Class B Management Fees	-	-
Class C Management Fees	-	-
Class D Management Fees	-	-
Class E Management Fees	-	-
	-	(44,905)
Fees accrued at 31/12/2012		
Class A Management Fees	-	(238)
Class A (USD) Management Fees	-	-
Class B Management Fees	-	-
Class C Management Fees	-	-
Class D Management Fees	-	-
Class E Management Fees	-	-
	-	(238)

The Manager has appointed Sanlam International Investments Limited as asset allocation manager to the Funds and Sanlam Investment Management (Pty) Limited as Investment Manager to the Funds. Both these parties are related parties to the Manager.

Related Transactions

The following transactions occurred between Sanlam Institutional Bond Fund and Sanlam Global Corporate Bond Fund during the year ended 31 December 2013:

	Sanlam Institutional Bond Fund Year ended 31/12/2013 USD
Purchases:	
Sanlam Global Bond Fund	45,295,805
Total purchases	45,295,805

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

12. Related party transactions and significant agreements (continued)

Related Transactions (continued)

	Sanlam Institutional Bond Fund Year ended 31/12/2013 USD
Sales	
Sanlam Global Bond Fund	30,772,172
Total sales	30,772,172

The following transactions occurred between Sanlam Institutional Bond Fund and Sanlam Global Corporate Bond Fund during the year ended 31 December 2012:

	Sanlam Institutional Bond Fund Year ended 31/12/2012 USD
Purchases:	
Sanlam Global Bond Fund	5,209,150
Total purchases	5,209,150

	Sanlam Institutional Bond Fund Year ended 31/12/2012 USD
Sales	
Sanlam Global Bond Fund	14,441,458
Total sales	14,441,458

In specie transfers were completed from Sanlam Capital Markets (Pty) Limited during 2013, in exchange for assets with a fair value at the date of transfer of USD 26,985,415.

In specie transfers were completed to Sanlam Capital Markets (Pty) Limited during 2013, in exchange for assets with a fair value at the date of transfer of USD 27,845,530.

In specie transfers were completed from SAMI and Sanlam Global Equity Fund during 2012, in exchange for assets with fair values at date of transfer of USD 171,537,482 and USD 35,776,773, respectively.

Investment Allocation Manager and Investment Manager

Sanlam International Investments Limited (Investment Allocations Manager) and Sanlam Investment Management (Pty) Ltd (Investment Manager) are related parties of the Manager. The Manager pays their fees.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

13. Efficient portfolio management

The Funds may enter into forward foreign currency contracts for efficient portfolio management. Forward foreign currency exchange contracts are used to hedge against anticipated future changes in exchange rates which otherwise might either adversely affect the value of the Funds' portfolio securities or adversely affect the price of securities which the Funds intend to purchase at a later date. The Funds may use forward currency contracts to alter the currency characteristics of the underlying assets of the Funds.

The Funds may also enter into futures contracts for efficient portfolio management. The primary purposes for which the Funds use futures contracts are cash equalisation, hedging and return enhancement. The purpose of cash equalisation is to expose uninvested cash within the Funds to equity market-like returns and ensure that the Funds' liquid assets are utilised as though invested in the markets. Hedging is used by the Funds to limit or control risks, such as adverse movements in exchange rates and interest returns. Return enhancement can be accomplished through the use of futures in the Funds. By purchasing certain instruments, the Funds may more effectively achieve the desired portfolio characteristics that assist the Funds in meeting their investment objectives. None of the Funds held any derivative financial instruments at 31 December 2013 or 2012.

14. Soft commissions

The Funds did not enter into any soft commission arrangements during the year.

15. Stock lending activities

Stock lending activities are conducted through JP Morgan Bank Plc, London in accordance with the terms of the Stock Lending Agreement, dated 12 March 2004, between the Company, the Manager and JP Morgan Bank Plc. In this arrangement, the Company transfers securities to a counterparty, in return for which it is agreed that securities of the same kind and amount should be transferred back to the Company at a later date. The arrangement has the substance of a loan of the Company's securities in return for collateral. The collateral held is in a form required by the Central Bank of Ireland.

Aggregate income arising from stock lending activities consists of fees charged to a counterparty, where the counterparty has provided collateral other than cash, plus net realised income derived from investments of cash collateral less any rebate payable to a counterparty on cash collateral less any commissions or similar transactions costs.

The Fund received income as follows under the terms of those agreements for the year ended 31 December 2013:

	Sanlam Institutional Equity Fund	Total
	Year ended	Year ended
	31/12/2013	31/12/2013
	USD	USD
Income	377,120	377,120

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)

for the year ended 31 December 2013

15. Stock lending activities (continued)

	Sanlam Institutional Equity Fund Year ended 31/12/2013 USD
Aggregate value of securities on loan at the year end	18,088,468
Aggregate value of collateral held in respect of the loans	19,016,543
Collateral %	105.13%

	Sanlam Institutional Balanced Fund Year ended 31/12/2013 USD	Total Year ended 31/12/2013 USD
Income	7,243	7,243

	Sanlam Institutional Balanced Fund Year ended 31/12/2013 USD
Aggregate value of securities on loan at the year end	3,196,537
Aggregate value of collateral held in respect of the loans	3,260,711
Collateral %	102.01%

The Fund received income as follows under the terms of those agreements for the year ended 31 December 2012:

	Sanlam Institutional Equity Fund Year ended 31/12/2012 USD	Total Year ended 31/12/2012 USD
Income	569,067	569,067

	Sanlam Institutional Equity Fund Year ended 31/12/2012 USD
Aggregate value of securities on loan at the year end	34,816,093
Aggregate value of collateral held in respect of the loans	35,752,014
Collateral %	102.69%

16. Portfolio changes

A list of portfolio changes during the year is available, free of charge, from the Administrator.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)

for the year ended 31 December 2013

17. Fees of underlying investments

The following tables summarise the investment management fees and incentive fees paid by the Funds in which the Company held investments:

	Investment Management Fees as a % of Net Assets	Incentive fees as a % of Net Asset Gains above the benchmarks
Year ended 31 December 2013:		
Sanlam Europe (ex UK) Equity Tracker Fund	-	-
Sanlam Equity Allocation Fund	-	-
Sanlam UK Equity Tracker Fund	-	-
Drexel Hamilton Multi-Asset Real Return Fund	0.55	-
Sanlam Global Bond Fund	-	-
Year ended 31 December 2012:		
Sanlam Global Corporate Bond Fund	-	-
Sanlam Global Bond Fund	-	-
BlackRock Institutional Global Corporate Bond	-	-
Drexel Hamilton Multi-Asset Real Return Fund	0.55	-
iShares MSCI Europe	0.35	-

18. Risk arising from financial instruments

The Funds' investment portfolios are comprised of quoted and non-quoted equity, derivative investments and investments in underlying Funds.

The Company's investing activities expose it to various types of risks that are associated with the financial investments and markets in which it and its Funds invest. The significant types of financial risks which the Company and its sub-funds are exposed to are market risk, liquidity risk and counterparty credit risk.

Asset allocation is determined by the Investment Allocation Manager (Sanlam International Investment Limited) to achieve the investment objectives. Divergence from target asset allocations and the composition of the portfolio is monitored by the Fund's Investment Allocation Manager.

An Investment Manager is approved to each Fund, who is provided with an Investment Management Agreement which includes a detailed set of guidelines on the parameters within a Fund (for single Investment Manager Funds) must be managed. These guidelines will include items such as maximum exposure to a single issuer, tracking error limits and the relevant non-UCITS rules. Each Investment Manager is required to report to Sanlam Asset Management Ireland (SAMI) on a monthly basis that they have managed the portfolio in accordance with the Investment Management Agreement and Guidelines and that no breaches occurred during the month. If during the course of the month the Investment Manager does detect an active breach they must notify SAMI immediately with the details of the breach, its cause, the impact on the Fund/Portfolio and their proposed action to resolve the breach.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
*(CONTINUED)**for the year ended 31 December 2013***18. Risk arising from financial instruments** *(continued)*

SAMI will engage with the relevant Investment Manager and/or the Investment Allocation Manager, to determine what action should be taken (this can include putting the Fund back to the position it would have been in if the breach had not taken place). The Trustee will also be consulted to ensure they are in agreement with the proposed remedy.

Each Investment Manager appointed by SAMI will have its own risk management policies and procedures in place, which may differ from Investment Manager to Investment Manager, and these will be considered by SAMI at the time of assessing the Investment Manager and in regular periodic assessments of the Investment Manager. A variety of methods are used to monitor market risk and are described below.

Investment reports, detailing the performance of the Funds are considered by the Board of Directors on a quarterly basis.

(i) Market Risk

The potential for changes in the fair value or cash flows of the Fund's investment is referred to as market risk. Categories of market risk include currency risk, interest rate risk and other price risk.

The Company's market risk strategy is driven by the Company's underlying Funds investment objectives. The Board has instructed each Investment Manager and the Investment Allocation Manager to manage each of the risks in accordance with policies and procedures in place.

(a) Currency Risk

Currency risks may result from exposures to changes in spot prices, forward prices and volatilities of currency rates.

The Funds may invest in financial investments and enter into transactions denominated in currencies other than their functional currency. Consequently, the Funds may be exposed to risks that the exchange rate of their functional currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of their assets or liabilities denominated in currencies other than the functional currency.

When considering the asset allocation of the portfolio or Fund each appointed Investment Manager will consider the likely movement of foreign exchange rates in investment decisions. The Investment Manager's may use financial derivative instruments, such as forward currency contracts, to hedge against adverse movements in foreign exchange rates as disclosed in the supplements of each Fund. Each Investment Manager must report on a monthly basis to SAMI that the portfolio or Fund is managed in accordance with the supplement of the investment management agreement and guidelines, if applicable.

The following tables set out the Funds' exposure to foreign currency risk arising from their investments, and include a sensitivity analysis.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

18. Risk arising from financial instruments (continued)

(i) Market Risk (continued)

(a) Currency Risk (continued)

Sanlam Institutional Equity Flexible Fund

	31 December 2013 USD	% movement	Effect of movement against Net Assets and Profit* 31 December 2013 USD	Concentration of foreign exchange exposure %
Euro	92,773,452	(1.60)	(1,487,706)	38.34
Pound Sterling	205	0.72	1	0.00
Total	92,773,657		(1,487,705)	38.34

	31 December 2012 USD	% movement	Effect of movement against Net Assets and Profit* 31 December 2012 USD	Concentration of foreign exchange exposure %
Euro	109,804,613	4.21	4,617,356	39.15
Pound Sterling	168,806,852	0.60	1,020,816	60.19
Total	278,611,465		5,638,172	99.34

Sanlam Institutional Balanced Fund

	31 December 2013 USD	% movement	Effect of movement against Net Assets and Profit* 31 December 2013 USD	Concentration of foreign exchange exposure %
Australian Dollar	36,052,330	3.69	1,330,029	11.04
Euro	147,084,785	(1.60)	(2,358,638)	45.04
Pound Sterling	38,031,671	0.72	273,057	11.65
Swiss Franc	37,432,754	(0.57)	(212,729)	11.46
Total	258,601,540		(968,281)	79.19

*The estimated movement is based on the average of the last two years exchange rate movements which management consider is a reasonably possible change in foreign exchange rates, but actual results can differ significantly.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

18. Risk arising from financial instruments (continued)

(i) Market Risk (continued)

(a) Currency Risk (continued)

Sanlam Institutional Balanced Fund (continued)

	31 December 2012 USD	% movement	Effect of movement against Net Assets and Profit* 31 December 2012 USD	Concentration of foreign exchange exposure %
Euro	173,050,492	4.21	7,276,886	49.63
Pound Sterling	57,301,924	0.60	346,519	16.43
Swiss Franc	57,952,183	2.96	1,712,716	16.62
Total	288,304,599		9,336,121	82.68

Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund)

	31 December 2013 USD	% movement	Effect of movement against Net Assets and Profit* 31 December 2013 USD	Concentration of foreign exchange exposure %
Euro	287,096	(1.60)	(4,604)	36.50
South African Rand	346,466	8.86	30,682	44.05
Total	633,562		26,078	80.55

*The estimated movement is based on the average of the last two years exchange rate movements which management consider is a reasonably possible change in foreign exchange rates, but actual results can differ significantly.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

18. Risk arising from financial instruments (continued)

(i) Market Risk (continued)

(b) Interest Rate Risk

Interest rate risks may result from exposures to changes in the level, slope and curvature of the yield curve, the volatility of interest rates, mortgage prepayment speeds and credit spreads.

The Funds may invest in fixed income securities and CFD Buckets. Any change to relevant interest rates for particular securities may result in the Investment Manager being unable to secure similar returns upon the expiry of contracts or the sale of securities. In addition, changes to prevailing interest rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held. In general, if interest rates rise, the value of fixed income securities will decline. A decline in interest rates will in general, have the opposite effect. Other assets and liabilities with the exception of Cash and Margin Cash bear no interest rate risk.

For each Fund the appointed Investment Manager reviews the positions on a regular basis. The Manager (SAMI) will review the positions of the Fund or portfolio at least monthly with the appointed Investment Manager.

Sanlam Institutional Equity Flexible Fund

The interest rate profile of the financial assets of the Sanlam Institutional Equity Flexible Fund as at 31 December 2013 and 31 December 2012 is as follows:

Interest Rate Characteristics	Total Exposure 2013 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD	Total Exposure 2012 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD
Floating rate financial assets	1,154,137	11,541	3,153,889	31,539
Total	1,154,137	11,541	3,153,889	31,539

*The estimated movement is based on management's determination of a reasonably possible change in interest rates, taking into account current market conditions and expectations for future interest rate movements, but actual results can differ significantly.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

18. Risk arising from financial instruments (continued)

(i) Market Risk (continued)

(b) Interest Rate Risk (continued)

Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund

The interest rate profile of the financial assets of the Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund as at 31 December 2013 and 31 December 2012 is as follows:

Interest Rate Characteristics	Total Exposure	Effect of 1.00% movement in interest rates on Net Asset and Profit*	Total Exposure	Effect of 1.00% movement in interest rates on Net Asset and Profit*
	2013 USD	USD	2012 USD	USD
Floating rate financial assets	228,914	2,289	345,097	3,451
Total	228,914	2,289	345,097	3,451

*The estimated movement is based on management's determination of a reasonably possible change in interest rates, taking into account current market conditions and expectations for future interest rate movements, but actual results can differ significantly.

Sanlam Institutional Balanced Fund

The interest rate profile of the financial assets of the Sanlam Institutional Balanced Fund as at 31 December 2013 and 31 December 2012 is as follows:

Interest Rate Characteristics	Total Exposure	Effect of 1.00% movement in interest rates on Net Asset and Profit*	Total Exposure	Effect of 1.00% movement in interest rates on Net Asset and Profit*
	2013 USD	USD	2012 USD	USD
Floating rate financial assets	(557,028)	(5,570)	2,745,258	27,453
Total	(557,028)	(5,570)	2,745,258	27,453

*The estimated movement is based on management's determination of a reasonably possible change in interest rates, taking into account current market conditions and expectations for future interest rate movements, but actual results can differ significantly.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)

for the year ended 31 December 2013

18. Risk arising from financial instruments (continued)

(i) Market Risk (continued)

(b) Interest Rate Risk (continued)

Sanlam Institutional Bond Fund

The interest rate profile of the financial assets of the Sanlam Institutional Bond Fund as at 31 December 2013 and 31 December 2012 is as follows:

Interest Rate Characteristics	Total Exposure 2013 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD	Total Exposure 2012 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD
Floating rate financial assets	270,304	2,703	56,220	562
Total	270,304	2,703	56,220	562

*The estimated movement is based on management's determination of a reasonably possible change in interest rates, taking into account current market conditions and expectations for future interest rate movements, but actual results can differ significantly.

Sanlam Global Corporate Bond Fund

The interest rate profile of the financial assets of the Sanlam Global Corporate Bond Fund as at 31 December 2013 and 31 December 2012 is as follows:

Interest Rate Characteristics	Total Exposure 2013 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD	Total Exposure 2012 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD
Floating rate financial assets	38,643	386	13,030	130
Total	38,643	386	13,030	130

*The estimated movement is based on management's determination of a reasonably possible change in interest rates, taking into account current market conditions and expectations for future interest rate movements, but actual results can differ significantly.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)

for the year ended 31 December 2013

18. Risk arising from financial instruments (continued)

(i) Market Risk (continued)

(b) Interest Rate Risk (continued)

Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund)

The interest rate profile of the financial assets of the Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) as at 31 December 2013 and 31 December 2012 is as follows:

Interest Rate Characteristics	Total Exposure 2013 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD	Total Exposure 2012 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD
Floating rate financial assets	833,014	8,330	425,506	4,255
Total	833,014	8,330	425,506	4,255

*The estimated movement is based on management's determination of a reasonably possible change in interest rates, taking into account current market conditions and expectations for future interest rate movements, but actual results can differ significantly.

(c) Other Price Risk

Other price risks may result from exposures to changes in the prices and volatilities of individual equities, equity baskets, equity indices, and commodities.

Price risk is the risk that (a) the value of a financial investment will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or any factor affecting financial investments traded in the market or (b) the risk that the valuations of the underlying Funds information which the Funds invest does not reflect the true value because the values are not verified by an independent third party, or the values of these underlying Funds are not available at the valuation points of the Funds.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)

for the year ended 31 December 2013

18. Risk arising from financial instruments (continued)

(i) Market Risk (continued)

(c) Other Price Risk (continued)

Each Fund is required to be managed in accordance with the prospectus and non-UCITS rules. Each Investment Manager is required to report to the Manager each month that the respective Funds have been managed in accordance with the Investment Management Agreement agreed between them. More detail on this process is included above.

As the Funds' financial investments are carried at fair value with fair value changes recognised in the Statement of Comprehensive Income, all changes in market conditions will directly affect net assets attributable to holders of redeemable participating shares.

Fund name	Benchmark index name	Benchmark index 5 year annualised return 2013 %	Benchmark index 5 year annualised return 2012 %	Total Effect* 31 December 2013 USD	Total Effect* 31 December 2012 USD
Sanlam Institutional Equity Flexible Fund	MSCI World	22.44	(1.18)	54,090,838	(3,287,609)
Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund	US CPI + 4%	4.59	5.79	2,664,549	3,232,446
Sanlam Institutional Balanced Fund	Composite benchmark (45% US/ 40% EU/ 15% GB)	(0.37)	0.04	(1,214,635)	138,451
Sanlam Institutional Bond Fund	Barclays Capital Global Aggregate	2.96	5.43	3,864,619	6,405,737
Sanlam Global Corporate Bond Fund**	Barclays Capital Global Aggregate Corporate	-	5.97	-	1,363,738

*Total effect is the impact on Net Assets and Profit, calculated as the total exposure (as detailed in Note 8) multiplied by the benchmark index, calculated from the date of inception for the relevant fund, but actual results could differ significantly.

**The Sanlam Global Corporate Bond Fund closed during year ended 31 December 2013.

At 31 December 2013, Sanlam Credit Income Fund (formerly Sanlam Dual Arbitrage Fund) does not have a benchmark index.

**NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)**

for the year ended 31 December 2013

18. Risk arising from financial instruments (continued)**(ii) Liquidity Risk**

Liquidity risk is defined as the risk that a Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk increases because of the possibility that a Fund could be required to redeem its shares earlier than expected. The Funds are exposed to cash redemptions of their redeemable shares on a regular basis. Shares are redeemable at the holder's option based on each Fund's net asset value per share at the time of redemption calculated in accordance with that Fund's constitution.

The Funds provide for the subscription and redemption of shares and they are therefore exposed to the liquidity risk of meeting shareholder redemptions at any time. The majority of the Funds' financial investments are either listed securities or collective investment schemes trading on a regular basis which are readily realisable. All Investment Managers are required to keep appropriate levels of cash or near cash investments to meet normal day to day liquidity demands, for example from normal levels of investor redemptions and to meet expense payments as they fall due. In addition the Manager performs daily monitoring of cash balances and reports low or overdrawn cash balances to Investment Managers.

In the event of significant requests for redemption of shares resulting in the Funds having to liquidate investments more rapidly than otherwise desirable in order to raise cash for the redemptions and achieve a market position appropriately reflecting a smaller asset base the Board of Directors has the ability to levy a dilution charge so that the investors remaining in the Funds are not disadvantaged.

The Company manages its obligation to repurchase the shares when required to do so and its overall liquidity risk by:

- The articles provide that the Company can not affect the repurchase of Shares, if after payment of any account in connection with such repurchase, the Net Asset Value of the issued share capital would be equal or less than €38,500 or its foreign currency equivalent as specified in the supplement of each Fund.
- The Directors are entitled to limit the number of shares of any Fund repurchased on any dealing day to Shares representing 10% of the total Net Asset Value of Shares (or 25% in the case of a quarterly dealing) of that Fund in issue on that Dealing day. In this event, the limitation will apply pro-rata so that all shareholders wishing to have shares of the Fund repurchased on that dealing day realize the same proportion of such Shares and Shares not repurchased, but which would otherwise have been repurchased, will be carried forward for repurchase on the next dealing day and will be dealt with in priority (on a rateable basis) to repurchase requests received subsequently. If requests for repurchases are carried forward, the Administrator will inform the shareholders affected.
- The Articles contain special provisions where a repurchase request received from a Shareholder would result in more than 5 per cent of the Net Asset Value of Shares of any Fund being repurchased by the Company on any Dealing Day. In such a case the Company may satisfy all or part of the repurchase request by a distribution of investments of the relevant Fund in specie provided that such a distribution would not be prejudicial to the interests of the remaining Shareholders of that Fund. The Shareholder however may require the Company to sell such investments on his behalf and pay him the proceeds of sale less any costs incurred in connection with such sale.

**NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)**

for the year ended 31 December 2013

18. Risk arising from financial instruments (continued)**(ii) Liquidity Risk (continued)**

- The Directors may at any time temporarily suspend the calculation of the Net Asset Value of any Fund and the issue, repurchase and conversion of Shares and the payment of repurchase proceeds during inter alia any period during which any transfer of Funds involved in the realisation or acquisition of investments of the relevant Fund cannot, in the opinion of the Directors, be effected at normal prices or rates of exchange or any period during which the Directors are unable to repatriate Funds required for the purpose of making payments due on repurchase of Shares in the relevant Fund, or any period when the Directors consider it to be in the best interest of the Company. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

The Fund's policy is to satisfy redemption requests by the following means:

1. Withdrawal of cash deposits
2. The Fund may borrow within the limits laid down by the Central Bank and in each Funds supplement.
3. Disposal of highly liquid assets (i.e., short-term, low-risk debt investments)
4. Disposal of other investments
5. Searching for new investors

The Fund invests primarily in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash. In addition, the Fund's policy is to maintain sufficient cash and cash equivalents to meet normal operating requirements and expected redemption requests.

The tables overleaf, summarise the maturity profile of the Fund's financial liabilities and gross-settled derivatives based on contractual undiscounted cash flows. Balances due within 6 months equal their carrying amounts, as the impact of discounting is insignificant. The table also analyses the maturity profile of the Fund's financial assets (undiscounted where appropriate) in order to provide a complete view of the Fund's contractual commitments and liquidity. Gross settled derivatives are calculated based on the spot price of the index.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

18. Risk arising from financial instruments (continued)

(ii) Liquidity Risk (continued)

Sanlam Institutional Equity Flexible Fund 2013	Due on demand USD	Due within 6 months USD	Due between 6 and 12 months USD	Due in more than a year USD	Total USD
Cash	1,154,137	-	-	-	1,154,137
Accrued Income					
Financial assets at fair value through profit and loss	241,014,211	-	-	-	241,014,211
Other assets		11,985	-	-	11,985
Total Financial Assets	242,168,348	11,985	-	-	242,180,333
Other Liabilities	-	(211,341)	-	-	(211,341)
Redeemable participating shares	(241,968,992)	-	-	-	(241,968,992)
Total Financial Liabilities	(241,968,992)	(211,341)	-	-	(242,180,333)
Sanlam Institutional Equity Flexible Fund 2012	Due on demand USD	Due within 6 months USD	Due between 6 and 12 months USD	Due in more than a year USD	Total USD
Cash	3,153,889	-	-	-	3,153,889
Financial assets at fair value through profit and loss	278,610,925	-	-	-	278,610,925
Other assets	-	38,393	-	-	38,393
Total Financial Assets	281,764,814	38,393	-	-	281,803,207
Amounts payable on purchase of securities	-	(1,148,669)	-	-	(1,148,669)
Other Liabilities	-	(188,766)	-	-	(188,766)
Redeemable participating shares	(280,465,772)	-	-	-	(280,465,772)
Total Financial Liabilities	(280,465,772)	(1,337,435)	-	-	(281,803,207)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

18. Risk arising from financial instruments (continued)

(ii) Liquidity Risk (continued)

Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund 2013	Due on demand USD	Due within 6 months USD	Due between 6 and 12 months USD	Due in more than a year USD	Total USD
Cash	228,914	-	-	-	228,914
Financial assets at fair value through profit and loss	57,998,630	-	-	-	57,998,630
Other assets	-	13,877	-	-	13,877
Total Financial Assets	58,227,544	13,877	-	-	58,241,421
Other Liabilities	-	(42,688)	-	-	(42,688)
Redeemable participating shares	(58,198,733)	-	-	-	(58,198,733)
Total Financial Liabilities	(58,198,733)	(42,688)	-	-	(58,241,421)

Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund 2012	Due on demand USD	Due within 6 months USD	Due between 6 and 12 months USD	Due in more than a year USD	Total USD
Cash	345,047	-	-	-	345,047
Financial assets at fair value through profit and loss	55,828,089	-	-	-	55,828,089
Other assets	-	15,591	-	-	15,591
Total Financial Assets	56,173,136	15,591	-	-	56,188,727
Bank overdraft	(4,184)	-	-	-	(4,184)
Other Liabilities	-	(20,776)	-	-	(20,776)
Redeemable participating shares	(56,168,002)	-	-	-	(56,168,002)
Total Financial Liabilities	(56,172,186)	(20,776)	-	-	(56,192,962)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

18. Risk arising from financial instruments (continued)

(ii) Liquidity Risk (continued)

Sanlam Institutional Balanced Fund 2013	Due on demand USD	Due within 6 months USD	Due between 6 and 12 months USD	Due in more than a year USD	Total USD
Amounts receivable on issue of shares	-	997,652	-	-	997,652
Financial assets at fair value through profit and loss	326,315,777	-	-	-	326,315,777
Other assets	-	50,092	-	-	50,092
Total Financial Assets	326,315,777	1,047,744	-	-	327,363,521
Bank overdraft	(557,028)	-	-	-	(557,028)
Other Liabilities	-	(274,126)	-	-	(274,126)
Redeemable participating shares	(326,532,367)	-	-	-	(326,532,367)
Total Financial Liabilities	(327,089,395)	(274,126)	-	-	(327,363,521)

Sanlam Institutional Balanced Fund 2012	Due on demand USD	Due within 6 months USD	Due between 6 and 12 months USD	Due in more than a year USD	Total USD
Cash	2,745,258	-	-	-	2,745,258
Financial assets at fair value through profit and loss	346,127,890	-	-	-	346,127,890
Other assets	-	70,989	-	-	70,989
Total Financial Assets	348,873,148	70,989	-	-	348,944,137
Other Liabilities	-	(228,507)	-	-	(228,507)
Redeemable participating shares	(348,715,630)	-	-	-	(348,715,630)
Total Financial Liabilities	(348,715,630)	(228,507)	-	-	(348,944,137)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)

for the year ended 31 December 2013

18. Risk arising from financial instruments (continued)

(ii) Liquidity Risk (continued)

Sanlam Institutional Bond Fund 2013	Due on demand USD	Due within 6 months USD	Due between 6 and 12 months USD	Due in more than a year USD	Total USD
Cash	270,304	-	-	-	270,304
Financial assets at fair value through profit and loss	130,451,055	-	-	-	130,451,055
Other assets		18,913	-	-	18,913
Total Financial Assets	130,721,359	18,913	-	-	130,740,272
Other Liabilities	-	(188,159)	-	-	(188,159)
Redeemable participating shares	(130,552,113)	-	-	-	(130,552,113)
Total Financial Liabilities	(130,552,113)	(188,159)	-	-	(130,740,272)

Sanlam Institutional Bond Fund 2012	Due on demand USD	Due within 6 months USD	Due between 6 and 12 months USD	Due in more than a year USD	Total USD
Cash	56,220	-	-	-	56,220
Financial assets at fair value through profit and loss	117,969,372	-	-	-	117,969,372
Other assets	-	27,886	-	-	27,886
Total Financial Assets	118,025,592	27,886	-	-	118,053,478
Other Liabilities	-	(107,394)	-	-	(107,394)
Redeemable participating shares	(117,946,084)	-	-	-	(117,946,084)
Total Financial Liabilities	(117,946,084)	(107,394)	-	-	(118,053,478)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

18. Risk arising from financial instruments (continued)

(ii) Liquidity Risk (continued)

Sanlam Global Corporate Bond Fund 2012	Due on demand USD	Due within 6 months USD	Due between 6 and 12 months USD	Due in more than a year USD	Total USD
Cash	13,030	-	-	-	13,030
Financial assets at fair value through profit and loss	22,843,175	-	-	-	22,843,175
Other assets	-	36,052	-	-	36,052
Total Financial Assets	22,856,205	36,052	-	-	22,892,257
Other Liabilities	-	(17,757)	-	-	(17,757)
Redeemable participating shares	(22,874,500)	-	-	-	(22,874,500)
Total Financial Liabilities	(22,874,500)	(17,757)	-	-	(22,892,257)
Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) 2013	Due on demand USD	Due within 6 months USD	Due between 6 and 12 months USD	Due in more than a year USD	Total USD
Cash	833,014	-	-	-	833,014
Accrued Income	-	640	-	-	640
Other assets	-	7,989	-	-	7,989
Total Financial Assets	833,014	8,629	-	-	841,643
Other Liabilities	-	(55,054)	-	-	(55,054)
Redeemable participating shares	(786,589)	-	-	-	(786,589)
Total Financial Liabilities	(786,589)	(55,054)	-	-	(841,643)
Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund) 2012	Due on demand USD	Due within 6 months USD	Due between 6 and 12 months USD	Due in more than a year USD	Total USD (Restated)
Cash	425,506	-	-	-	425,506
Accrued Income	-	1,572	-	-	1,572
Other assets	-	12,432	-	-	12,432
Total Financial Assets	425,506	14,004	-	-	439,510
Other Liabilities	-	(39,217)	-	-	(39,217)
Redeemable participating shares	(400,293)	-	-	-	(400,293)
Total Financial Liabilities	(400,293)	(39,217)	-	-	(439,510)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)

for the year ended 31 December 2013

18. Risk arising from financial instruments (continued)

(iii) Credit Risk

Credit risk is the risk that a counterparty to a financial asset will fail on a commitment that it has entered into with the Fund. A Fund is subject to the possibility of insolvency, bankruptcy or default of a counterparty with which the Fund, as appropriate, trades such instruments. This could result in substantial losses to the Fund.

Each Fund will be exposed to credit risk on the counterparties with which it trades in relation to over-the-counter (OTC) derivative contracts. Such instruments are not afforded the same protections as may apply to participants trading futures or options on organised exchanges, such as the performance guarantee of an exchange clearing house. Investment Managers who enter into transactions involving financial derivatives are required to abide by the Prospectus and the Regulations and any breaches must be reported to the Investment Manager.

The various Investment Managers to the Funds have adopted procedures to reduce credit risk related to their dealings with counterparties in respect of Bonds and Collective investment schemes. Before transacting with any counterparty, the Investment Manager or its affiliates evaluate both creditworthiness and reputation by conducting a credit analysis of the party, their business and reputation. The reputational risk of approved counterparties is then monitored on an ongoing basis, including periodic reviews of financial statements and interim financial reports as needed.

In order to reduce exposure to credit losses, Master Netting Agreements (MNA's) are entered into with over-the-counter derivative counterparties, excluding those counterparties executing only spot foreign exchange contracts. While MNA's do not result in an offset of reported assets and liabilities because transactions are generally settled on a gross basis, MNA's do provide for the reduction of credit risk on favourable contracts to the extent of the value of unfavourable contracts in the event of default as all amounts with the counterparty are terminated and settled on a net basis.

A Fund may enter into stocklending/reverse and repurchase agreements provided that it is within the conditions and the limits laid down by the Central Bank or the purpose of generating income for the Company with an acceptable level of risk. Such arrangements are those where the Company or the Custodian delivers securities to a third party in return for which it is agreed those securities or securities of the same kind and amount should be redelivered to the Company or the Custodian at a later date.

Margin accounts and amounts due from sale/purchase of securities are with the Company's counterparties/custodians. The credit rating of these counterparties/custodians is as follows:

Prime Broker/Custodian	2013 Rating	2012 Rating
JP Morgan	A3	A2
Northern Trust	A2	A1
Standard Bank	Baa1	Baa2

The Company mitigates credit risk arising on debt instrument by investing primarily in credit instruments that have received an investment grade credit rating from recognised ratings agencies such as S&P, Moody's and Fitch.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)

for the year ended 31 December 2013

18. Risk arising from financial instruments (continued)

(iii) Credit Risk (continued)

No positions are either past due or impaired.

The following tables outline the Fund's credit risk exposure arising from investments at 31 December 2013 and 31 December 2012:

	Collective Investment Schemes	Total	Collective Investment Schemes	Total
Sanlam Institutional Equity Flexible Fund	31 December 2013 USD	31 December 2013 USD	31 December 2012 USD	31 December 2012 USD
European Union	59,277,443	59,277,443	-	-
Great Britain	30,422,394	30,422,394	-	-
United States	58,541,279	58,541,279	-	-
Total	148,241,116	148,241,116	-	-

	Collective Investment Schemes	Total	Collective Investment Schemes	Total
Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund	31 December 2013 USD	31 December 2013 USD	31 December 2012 USD	31 December 2012 USD
United States	57,998,630	57,998,630	55,828,089	55,828,089
Total	57,998,630	57,998,630	55,828,089	55,828,089

	Collective Investment Schemes	Total	Collective Investment Schemes	Total
Sanlam Institutional Bond Fund	31 December 2013 USD	31 December 2013 USD	31 December 2012 USD	31 December 2012 USD
United States	130,451,055	130,451,055	117,969,372	117,969,372
Total	130,451,055	130,451,055	117,969,372	117,969,372

	Collective Investment Schemes	Total	Collective Investment Schemes	Total
Sanlam Global Corporate Bond Fund	31 December 2013 USD	31 December 2013 USD	31 December 2012 USD	31 December 2012 USD
United States	-	-	22,843,175	22,843,175
Total	-	-	22,843,175	22,843,175

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS

*(CONTINUED)**for the year ended 31 December 2013***18. Risk arising from financial instruments** *(continued)***(iv) Additional Risks****a) Concentration Risk:**

The Funds invest in a limited number of investments and investment themes. A consequence of a limited number of investments is that performance may be more favourably or unfavourably affected by the performance of an individual investment.

b) Operational Risk:

Operational risk is the potential for loss caused by a deficiency in information, communications, transaction processing and settlement and accounting systems. The Fund's service providers maintain controls and procedures for the purpose of managing operational risk.

c) Legal, Tax and Regulatory Risks:

Legal, tax and regulatory changes could occur during the duration of the Fund which may adversely affect the Fund. The Manager and their appointed Investment Advisors monitor the international regulatory environment closely for any legislation or regulatory changes that may impact the Funds. Appropriate information on such matters is considered by senior management and referred to the Board of Directors, where required.

d) Non-Developed Market Risk

The Fund may invest a portion of its capital in securities and companies based in non-developed or emerging markets or issued by governments of such countries. Investing in the securities of such companies and countries involves certain considerations not usually associated with investing in securities of developed market companies or countries, including, without limitation, less liquidity, greater price and foreign currency volatility, and greater legal, tax and regulatory risks.

The Sanlam Institutional Equity Flexible Fund, Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund, Sanlam Institutional Balanced Fund, Sanlam Institutional Bond Fund and Sanlam Global Corporate Bond Fund have no significant exposure to non-developed markets.

e) Small Capitalisation Companies Risk

The Fund may invest a portion of its capital in securities of companies with smaller capitalisation. Smaller capitalisation companies are generally not as well known to the investing public and have less investor following than larger capitalisation companies. Investing in the securities of such companies may involve certain considerations, including, without limitation, less liquidity, greater price volatility, and risks associated with limited operating histories and/or the availability of information pertaining to the Fund and its operations.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
 for the year ended 31 December 2013

19. Net asset value per share

	Sanlam Institutional Equity Flexible Fund	
	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class A		
Net Asset Value	225,668,804	USD 263,029,287
Number of Shares in Issue	195,050,034	273,437,603
Net asset value per share for financial statement purposes	USD 1.1570	USD 0.9619
Add: adjustment for withholding tax and dividend reinvestment	-	USD 0.0020
Net asset value per share for shareholder dealing	USD 1.1570	USD 0.9639

	Sanlam Institutional Equity Flexible Fund	
	Period Ended 31/12/2011	
Share Class A		
Net Asset Value	USD 138,049,906	
Number of Shares in Issue	138,778,238	
Net asset value per share for financial statement purposes	USD 0.9948	
Add: adjustment for withholding tax and dividend reinvestment	USD 0.0024	
Net asset value per share for shareholder dealing	USD 0.9972	

	Sanlam Institutional Equity Flexible Fund	
	Year Ended 31/12/2013	Period Ended 31/12/2012
Share Class B		
Net Asset Value	USD 16,300,188	USD 17,436,485
Number of Shares in Issue	13,536,726	17,399,292
Net asset value per share for financial statement purposes	USD 1.2041	USD 1.0021
Add: Valuation adjustment	-	USD 0.0021
Net asset value per share for shareholder dealing	USD 1.2041	USD 1.0042

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

19. Net asset value per share (continued)

	Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund	
	Year Ended 31/12/2013	Period Ended 31/12/2012
Share Class A		
Net Asset Value	USD 58,198,733	USD 56,168,002
Number of Shares in Issue	56,330,852	56,330,852
Net asset value per share for financial statement purposes	USD 1.0332	USD 0.9971
Add: adjustment for withholding tax	-	(USD 0.0170)
Add: Valuation adjustment	-	(USD 0.0008)
Net asset value per share for shareholder dealing	USD 1.0332	USD 0.9793

	Sanlam Institutional Balanced Fund	
	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class A		
Net Asset Value	USD 311,317,392	USD 331,882,515
Number of Shares in Issue	323,503,326	366,088,501
Net asset value per share for financial statement purposes	USD 0.9623	USD 0.9066
Add: Valuation adjustment	-	USD 0.0002
Net asset value per share for shareholder dealing	USD 0.9623	USD 0.9068

	Sanlam Institutional Balanced Fund	
	Period Ended 31/12/2011	
Share Class A		
Net Asset Value	USD 277,979,344	
Number of Shares in Issue	365,255,952	
Net asset value per share for financial statement purposes	USD 0.7611	
Add: IAS 39 valuation adjustment	USD 0.0004	
Net asset value per share for shareholder dealing	USD 0.7615	

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

19. Net asset value per share (continued)

	Sanlam Institutional Balanced Fund	
	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class C		
Net Asset Value	USD 15,214,975	USD 16,833,115
Number of Shares in Issue	15,851,573	18,597,737
Net asset value per share for financial statement purposes	USD 0.9598	USD 0.9051
Add: Valuation adjustment	-	USD 0.0003
Net asset value per share for shareholder dealing	USD 0.9598	USD 0.9054

	Sanlam Institutional Balanced Fund	
	Period Ended 31/12/2011	
Share Class C		
Net Asset Value	USD 13,244,764	
Number of Shares in Issue	17,413,735	
Net asset value per share for financial statement purposes	USD 0.7606	
Add: IAS 39 valuation adjustment	USD 0.0005	
Net asset value per share for shareholder dealing	USD 0.7611	

	Sanlam Institutional Bond Fund	
	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class A		
Net Asset Value	USD 123,426,830	USD 111,557,535
Number of Shares in Issue	11,807,780	10,379,528
Net asset value per share for financial statement purposes	USD 10.4530	USD 10.7478
Add: Valuation adjustment	-	USD 0.0079
Net asset value per share for shareholder dealing	USD 10.4530	USD 10.7557

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

19. Net asset value per share (continued)

Sanlam Institutional Bond Fund	
Period Ended 31/12/2011	
Share Class A	
Net Asset Value	USD 112,253,345
Number of Shares in Issue	11,111,796
Net asset value per share for financial statement purposes	USD 10.1022
Add: Valuation adjustment	USD 0.0150
Net asset value per share for shareholder dealing	USD 10.1172

Sanlam Institutional Bond Fund		
	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class C		
Net Asset Value	USD 7,125,174	USD 6,388,438
Number of Shares in Issue	683,485	595,415
Net asset value per share for financial statement purposes	USD 10.4248	USD 10.7294
Add: Valuation adjustment	-	USD 0.0078
Net asset value per share for shareholder dealing	USD 10.4248	USD 10.7372

Sanlam Institutional Bond Fund	
Period Ended 31/12/2011	
Share Class C	
Net Asset Value	USD 7,397,898
Number of Shares in Issue	732,834
Net asset value per share for financial statement purposes	USD 10.0949
Add: Valuation adjustment	USD 0.0151
Net asset value per share for shareholder dealing	USD 10.1100

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
 for the year ended 31 December 2013

19. Net asset value per share (continued)

Sanlam Institutional Bond Fund		
	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class E		
Net Asset Value	USD 109	USD 111
Number of Shares in Issue	10	10
Net asset value per share for financial statement purposes	USD 10.9527	USD 11.1661
Add: Valuation adjustment	-	USD 0.0081
Net asset value per share for shareholder dealing	USD 10.9527	USD 11.1742

Sanlam Institutional Bond Fund	
	Period Ended 31/12/2011
Share Class E	
Net Asset Value	USD 103
Number of Shares in Issue	10
Net asset value per share for financial statement purposes	USD 10.4157
Add: Valuation adjustment	USD 0.0153
Net asset value per share for shareholder dealing	USD 10.4310

Sanlam Global Corporate Bond Fund		
	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class A		
Net Asset Value	-	USD 114
Number of Shares in Issue	-	10
Net asset value per share for financial statement purposes	-	USD 11.4477
Add: Valuation adjustment	-	-
Net asset value per share for shareholder dealing	-	USD 11.4477

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
for the year ended 31 December 2013

19. Net asset value per share (continued)

Sanlam Global Corporate Bond Fund	
Period Ended 31/12/2011	
Share Class A	
Net Asset Value	USD 101
Number of Shares in Issue	10
Net asset value per share for financial statement purposes	USD 10.1781
Add: Valuation adjustment	-
Net asset value per share for shareholder dealing	<u>USD 10.1781</u>

Sanlam Global Corporate Bond Fund		
	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class E		
Net Asset Value	-	USD 22,874,386
Number of Shares in Issue	-	2,090,559
Net asset value per share for financial statement purposes	-	USD 10.9418
Add: Valuation adjustment	-	-
Net asset value per share for shareholder dealing	-	<u>USD 10.9418</u>

Sanlam Global Corporate Bond Fund	
Period Ended 31/12/2011	
Share Class E	
Net Asset Value	USD 20,374,357
Number of Shares in Issue	2,090,559
Net asset value per share for financial statement purposes	USD 9.7459
Add: Valuation adjustment	USD 0.0001
Net asset value per share for shareholder dealing	<u>USD 9.7460</u>

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)
 for the year ended 31 December 2013

19. Net asset value per share (continued)

	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund)	
	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class A (USD)		(Restated)
Net Asset Value	786,589	USD 400,293
Number of Shares in Issue	141,196	61,646
Net asset value per share for financial statement purposes	USD 5.5709	USD 6.4934
Add: adjustment for interest income	-	-
Net asset value per share for shareholder dealing	USD 5.5709	USD 6.4934

	Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund)	
	Period Ended 31/12/2011	
Share Class A		(Restated)
Net Asset Value	USD 34,725,371	
Number of Shares in Issue	3,370,939	
Net asset value per share for financial statement purposes	USD 10.3014	
Add: Valuation adjustment	-	
Net asset value per share for shareholder dealing	USD 10.3014	

20. Cross liability of funds

The Directors are not aware of any such existing or contingent liability at 31 December 2013 or 2012. The Company's amended Articles provide for segregated liability between the various Funds.

21. Contingent liabilities

There were no contingent liabilities as at 31 December 2013 and 2012.

22. Significant events during the year

Sanlam Asset Management (Ireland) Limited has replaced J.P Morgan Administration Services (Ireland) Limited as the Administrator to the Funds, with effect from 1 January 2013.

Sanlam Global Corporate Bond Fund closed as at 30 August 2013.

The Sanlam Dual Listed Arbitrage Fund underwent changes to its investment objectives and policies during 2013 and was renamed to the Sanlam Credit Income Fund. The functional currency of the Fund was also amended from ZAR to USD.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS
(CONTINUED)

for the year ended 31 December 2013

23. Significant events since the end of the year

The Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund changed its name to the Sanlam Centre Multi-Asset Real Return Feeder Fund effective 20 February 2014.

Up to the date of approval of the financial statements, there were no other material subsequent events affecting the Company which necessitate disclosure or revision of the figures included in the financial statements.

24. Off balance sheet arrangements

The company was not party to off balance sheet arrangements for twelve months from 1 January 2013 to 31 December 2013 or 1 January 2012 to 31 December 2012.

25. Approval of the financial statements

The Financial Statements were approved by the Board of Directors on 28 April 2014.

Total expense ratios (unaudited)

The Average Total Expense Ratio table shows the actual expenses incurred by the Fund during the reporting period, expressed as a percentage (avg.) net asset value (NAV) of the Fund for the corresponding period.

	Sanlam Institutional Equity Flexible Fund		Sanlam Drexel Hamilton Multi- Asset Real Return Feeder Fund	
	Year ended 31/12/2013 USD	Year ended 31/12/2012 USD	Year ended 31/12/2013 USD	Period ended 31/12/2012 USD
Total Expense Ratio				
Share class A	0.81%	0.78%	0.25%	0.24%
Share class B	0.91%	0.84%	-	-

	Sanlam Institutional Balanced Fund		Sanlam Institutional Bond Fund	
	Year ended 31/12/2013 USD	Year ended 31/12/2012 USD	Year ended 31/12/2013 USD	Year ended 31/12/2012 USD
Total Expense Ratio				
Share class A	0.81%	0.78%	0.84%	0.76%
Share class C	0.91%	0.88%	0.94%	0.86%
Share class E	-	-	-	0.04%

	Sanlam Global Corporate Bond Fund		Sanlam Credit Income Fund (formerly Sanlam Dual Listed Arbitrage Fund)	
	Year ended 31/12/2013 USD	Year ended 31/12/2012 USD	Year ended 31/12/2013 USD	Year ended 31/12/2012 USD
Total Expense Ratio				
Share class A	-	0.14%	-	-
Share class E	0.58%	0.07%	-	-
Share class A (USD)	-	-	0.72%	0.69%

**NOTICE OF GENERAL MEETING
OF
SANLAM QUALIFYING INVESTORS FUNDS PLC**

Notice is hereby given that the annual general meeting of Sanlam Qualifying Investors Funds plc will be held at the offices of Sanlam Asset Management (Ireland) Limited, Beech House, Beech Hill Road, Dublin 4 on 27 June 2014 at 12.45pm for the following purposes:

- To receive and consider the financial statements for the year ended 31 December 2013 and the reports of the Directors and auditors thereon.
- To appoint Ernst & Young as auditors of the Company.
- To authorise the Directors to fix the remuneration of the auditors.

And to transact any other business which may properly be brought before the meeting.

By Order of the Board
Sanlam Asset Management (Ireland) Limited

Dated 28 April 2014
Registered Office:
Beech House, Beech Hill Road, Dublin 4.

A member entitled to attend and vote may appoint a proxy to attend, speak and vote on his behalf. A proxy need not be a member of the Company.

PROXY FORM

SANLAM QUALIFYING INVESTORS FUNDS PLC

I/We.....
 Please insert your name in block capitals

.....
 Please insert your name in block capitals

being a Shareholder in Sanlam Qualifying Investors Funds Plc hereby appoint

.....
 Please insert the name of someone who can attend on your behalf or else leave this space blank – see notes below

or failing him/her the Chairman of the Meeting or failing him/her Gerardine Kelly

to vote on my/our behalf at the Meeting of the shareholders of the Company to be held on 27 June 2014 at 12.45pm and at any adjournment thereof. I/We instruct my/our proxy to vote in the manner indicated below in respect of each of the Resolutions. Failing any specific instruction, the proxy will vote at his/her complete discretion.

IN FAVOUR OF / AGAINST
Please tick appropriate box

- | | | |
|--|--------------------------|--------------------------|
| 1. To receive and consider the financial statements for the year ended 31 December 2013 and the reports of the Directors and auditors thereon. | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. To appoint Ernst & Young as auditors of the Company. | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. To authorise the Directors to fix the remuneration of the auditors. | <input type="checkbox"/> | <input type="checkbox"/> |

Signature

Date

Notes:

A Shareholder entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him/her. If you wish to appoint as your proxy some person other than the Chairman of the meeting or Gerardine Kelly, insert in block capitals the full name of the person of your choice in the space provided. A proxy need not be a Shareholder of the Company.

The proxy will exercise his/her discretion as to how he/she votes or whether he/she abstains from voting on the resolutions referred to above if no instruction is given of the resolutions, and on any business or resolution considered at the Meeting other than the resolutions to above.

This proxy form (and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof) must be deposited at the registered office of the Company, Beech House, Beech Hill Road, Dublin 4, Ireland attention Gerardine Kelly (or fax to: 353 1 205 3521) no later than the time appointed for the meeting. If the appointer is a corporation, this proxy form must be executed under the seal or under the hand of some officer or attorney duly authorised on its behalf. In the case of joint holders, any one holder may sign. The completion and return of the proxy form will not preclude Shareholders from attending and voting at the Meeting should they decide to do so.

Issued by
Sanlam Asset Management (Ireland) Limited
Beech Hill House
Beech Hill Road
Dublin 4