

SANLAM QUALIFYING INVESTORS FUNDS PLC

Annual audited financial statements
for the year ended 31 December 2014



Asset Management

ANNUAL AUDITED FINANCIAL STATEMENTS

for the year ended 31 December 2014

Contents	Page(s)
Company information	1 - 2
Directors' report	3 - 7
Independent auditor's report	8 - 9
Custodian's report	10
Depositary's report	11
Manager's report	12
Economic & market review	13 - 16
Investment Manager's reports	17 - 22
Statement of comprehensive income	
of the Company	23
of the Funds	24 - 25
Statement of financial position	
of the Company	26
of the Funds	27 - 28
Statement of changes in net assets attributable to holders of redeemable participating shares	
of the Company	29
of the Funds	30 - 31
Statement of cash flows	
of the Company	32
of the Funds	33 - 34
Portfolio of investments	
Sanlam Institutional Equity Flexible Fund	35
Sanlam Centre Multi-Asset Real Return Feeder Fund <i>(formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund)</i>	36
Sanlam Institutional Balanced Fund	37
Sanlam Institutional Bond Fund	38
Sanlam Credit Income Fund	39
Sanlam Global Fund of Hedge Funds	40 - 41
Notes to and forming part of the audited financial statements	42 - 106
SAMI Remuneration Policy (unaudited)	107 - 109
Leverage (unaudited)	110
Notice of Annual General Meeting	111
Proxy Form	112

COMPANY INFORMATION

Directors of Sanlam Qualifying Investor Funds Plc (the “Company”)	Peter Murray – Irish* Paul Dobbyn – Irish* Thomas Murray – Irish** Anton Gildenhuys (resigned 7 November 2014) – South African <i>All Directors are non-executive</i>
Registered number	475202
Funds of the Company	Sanlam Institutional Equity Flexible Fund Sanlam Centre Multi-Asset Real Return Feeder Fund (formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund) Sanlam Institutional Balanced Fund Sanlam Institutional Bond Fund Sanlam Credit Income Fund Sanlam Global Fund of Hedge Funds***
Registered office of the Company	Beech House Beech Hill Road Dublin 4 Ireland
Manager & Alternative Investment Fund 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*****	Brown Brothers Harriman Fund Administration Services (Ireland) Limited 30 Herbert Street Dublin 2 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.

***On 25 August 2014, the shareholders formally agreed by written resolution to merge the Sanlam Global Fund of Hedge Funds, a sub-fund within Sanlam Global Fund of Hedge Funds Plc, into Sanlam Global Fund of Hedge Funds, a sub-fund within the Sanlam Qualifying Investors Funds Plc, via a scheme amalgamation. The final net asset value for Sanlam Global Fund of Hedge Funds, a sub-fund of Sanlam Global Fund of Hedge Funds plc (the "Original Fund"), was calculated on 29 August 2014. On 1 September 2014, all investments of the Original Fund were transferred to Sanlam Global Fund of Hedge Funds, a new sub-fund of the Company (the "New Fund"). Investors in the Original Fund were issued shares in the New Fund in consideration. On 7 November 2014, the Directors of the Original Fund resolved to wind-up and place the Original Fund into Voluntary Liquidation.

****The Manager was authorised by the Central Bank of Ireland as the Alternative Investment Fund Manager under the European Union (Alternative Investment Fund Managers) Regulations 2013.

***** With effect from 1 September 2014, Brown Brothers Harriman Fund Administration (Ireland) Limited replaced J.P. Morgan Administration Services (Ireland) Limited as the appointed Registrar & Transfer Agent.

COMPANY INFORMATION (CONTINUED)

Investment Managers*	Sanlam Investment Management (Pty) Limited 55 Willie van Schoor Avenue Bellville 7530 South Africa
	Sanlam International Investments Limited 1 Ely Place London EC1N 6RY United Kingdom
Investment allocation manager	Sanlam International Investments Limited 1 Ely Place London EC1N 6RY United Kingdom
Depository**	Brown Brothers Harriman Trustee Services (Ireland) Limited 30 Herbert Street Dublin 2 Ireland
Listing broker	Maples and Calder 75 St. Stephens Green 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
Stock lending agent***	Brown Brothers Harriman & Co 50 Post Office Square Boston MA 02109 United States

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

** With effect from 1 September 2014, Brown Brothers Harriman Trustee Services (Ireland) Limited was appointed Depository to the Funds, replacing Northern Trust Fiduciary Services (Ireland) Limited, Custodian to the Funds until that date.

*** With effect from 1 September 2014, Brown Brothers Harriman & Co. replaced J.P. Morgan Chase Bank (London Branch) as Stock Lending Agent.

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 2014.

RESULTS AND BUSINESS ACTIVITIES

Detailed investment reviews are included in the Reports of the Investment Manager from pages 17 to 22. The results of operations are set out in the Statement of Comprehensive Income on pages 23 to 25.

The Directors also draw your attention to the significant events during the year explained in Note 22 on pages 105 to 106.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company is exposed to the risks associated with the financial instruments and markets in which the Funds invest. The Directors draw your attention to Note 18 on pages 78 to 97 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.

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 were as follows:

- Peter Murray (Irish)
- Paul Dobbyn (Irish)
- Thomas Murray (Irish)
- Anton Gildenhuys (South African)

Peter Murray is a Director of Sanlam Asset Management (Ireland) Ltd ("SAMI"), Sanlam Global Funds Plc and Sanlam Universal Funds Plc. Peter Murray is also a Director of Sanlam Global Fund of Hedge Funds Plc, which the Directors resolved to place into voluntary liquidation on 7 November 2014.

Paul Dobbyn is a Director of Sanlam Global Funds Plc and Sanlam Universal Funds Plc. Paul Dobbyn is also a Director of Sanlam Global Fund of Hedge Funds Plc, which the Directors resolved to place into voluntary liquidation on 7 November 2014. Paul Dobbyn was also a Partner in Maples and Calder until his resignation on 23 March 2015.

Thomas Murray is a Director of Sanlam Global Funds Plc and Sanlam Universal Funds Plc. Thomas Murray is also a Director of Sanlam Global Fund of Hedge Funds Plc, which the Directors resolved to place into voluntary liquidation on 7 November 2014.

Anton Gildenhuys (resigned 7 November 2014) is a Director of 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 Gildenhuys was also a Director of Sanlam Global Funds Plc and Sanlam Universal Funds Plc before his resignation effective 7 November 2014. Anton Gildenhuys was also a Director of Sanlam Global Fund of Hedge Funds Plc, which the Directors resolved to place into voluntary liquidation on 7 November 2014.

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' AND SECRETARY'S INTEREST IN SHARES AND CONTRACTS

The Directors, who held office on 31 December 2014, 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.

RELATED PARTIES

Disclosures in respect of related parties are contained in note 12 to the Financial Statements.

CONNECTED PARTIES

The Central Bank of Ireland AIF Rulebook section on "Dealings by management company, general partner, depositary, AIFM, investment manager or by delegates or group companies of these" states that any transaction carried out with the Company by a management company, general partner, depositary, AIFM, investment manager or by delegates or group companies of these ("Connected Parties") must be carried out as if negotiated at arm's length. Transactions must be in the best interests of the shareholders.

The Board of Directors is satisfied there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out above are applied to all transactions with Connected Parties entered into during the year and that all such transactions have complied with these obligations.

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.

SUBSEQUENT EVENTS

Other than as disclosed in note 23, up to the date of the approval of these financial statements there were no events subsequent to the year end, which, in the opinion of the Directors of the Company, may have had an impact on the financial statements for the year ended 31 December 2014.

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.

DIRECTORS' REPORT (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES (CONTINUED)

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.

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 Beech House, Beech Hill Road, Dublin 4, Ireland and the Companies Registration Office in Ireland.
- iii) The Central Bank of Ireland in their AIF Rulebook for Qualified Investor AIF's which can be obtained from the Central Bank of Ireland website at <http://www.centralbank.ie/regulation/industry-sectors/funds/aifmd/Pages/default.aspx> and are available for inspection at the registered Office of the Company;
- iv) The ISE through the ISE Code of Listing Requirements and Procedures which can be obtained from the ISE's website at <http://www.ise.ie/Products-Services/Investment%20Funds/List-a-Fund/Open%20ended%20rules.pdf?v=1032015>.
- v) SAMI's Programme of Activity, 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.

DIRECTORS' REPORT (CONTINUED)

CORPORATE GOVERNANCE CODE (CONTINUED)

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.

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.

DIRECTORS' REPORT (CONTINUED)

CORPORATE GOVERNANCE CODE (CONTINUED)

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 three Non-Executive Directors, being those listed on page 1 of these financial statements with Peter Murray, Thomas Murray and Paul Dobbryn being Irish residents. None of the Company's Directors hold common directorships with the Depositary.

The business of the Company is managed by the Directors, who exercise all such powers of the Company as are not required in accordance with the Companies Acts or the Articles of Association 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.

SAMI has been appointed the Alternative Investment Fund Manager ("AIFM") to the Company and its Funds pursuant to the European Union (Alternative Investment Fund Managers) Regulations 2013 (the "AIFM Regulations"). The AIFM Regulations apply to SAMI and consequently to the management and operation of the Company. SAMI has been approved by the Central Bank of Ireland as the AIFM and is therefore required to comply with all duties, obligations and functions of an AIFM as are contained in the AIFM Regulations, the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing the AIFMD, the Central Bank of Ireland's AIF Rulebook and SAMI's Programme of Activity as they apply to the services it provides to the Company and the Funds.

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
23 April 2015



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 2014 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 Directors' Responsibilities Statement 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, Depositary's Report, Manager's Report, Economic & Market Review, Investment Manager's Reports and Portfolio 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:

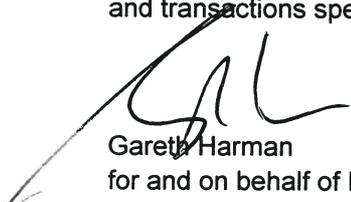
- give a true and fair view in accordance with IFRSs as adopted by the European Union, of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2013.

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

28 April 2015

REPORT OF THE CUSTODIAN TO THE SHAREHOLDERS FOR THE PERIOD FROM 1 JANUARY 2014 TO 31 AUGUST 2014

We have enquired into the conduct of the Manager in respect of Sanlam Qualifying Investors Funds Plc ("the Company") for the period from 1 January 2014 to 31 August 2014 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's 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's Non-UCITS Notice 7. One of those duties is to enquire into the conduct of the Company in each annual accounting period and report thereon to the shareholders.

Our report shall state whether, in our opinion, the Company has been managed in that period in accordance with the provisions of the Company's Memorandum and Articles of Association and the Non-UCITS Notices. 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:

- (i) 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 power granted to it by the Companies Act, 1990 Part XIII and the Investment Funds Act, 2005; and
- (ii) otherwise in accordance with the provisions of the Memorandum and Articles of Association and the Companies Act, 1990 Part XIII.

Northern Trust Fiduciary Services (Ireland) Limited
George's Court
54-62 Townsend Street
Dublin 2
Ireland
23 April 2015



REPORT OF THE DEPOSITARY TO THE SHAREHOLDERS FOR THE PERIOD FROM 1 SEPTEMBER 2014 TO 31 DECEMBER 2014

We have enquired into the conduct of Sanlam Qualifying Investors Funds Plc (the "Company") for the period 1 September 2014 to 31 December 2014, in our capacity as Depositary to the Company.

This report, including the opinion, has been prepared for and solely for the shareholders in the Company in accordance with the Central Bank's AIF Rulebook Chapter 6 (as amended) 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 Depositary

Our duties and responsibilities are outlined in the Central Bank's AIF Rulebook Chapter 6 (as amended). One of those duties is to enquire into the conduct of the Company in each annual accounting period and report thereon to the shareholders.

Our report shall state whether, in our opinion, the Company has been managed in that period in accordance with the provisions of the Company's Memorandum and Articles of Association and the European Communities Alternative Investment Fund Managers Directive 2011/61/EU, as amended, and Commission Delegated Regulations (EU) No. 231/2013, as amended, (the "Regulations"). It is the overall responsibility of the Company to comply with these provisions. If the Company has not so complied, we, as Depositary, must state why this is the case and outline the steps which we have taken to rectify the situation.

Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in the AIF Rulebook Chapter 6 (as amended) 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 Regulations; and
- (ii) otherwise in accordance with the Company's constitutional documentation and the Regulations.

Opinion

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

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum & Articles of Association and by the Central Bank under the powers granted to it by the Companies Act, 1990 Part XIII and by the Regulations; and
- (ii) otherwise in accordance with the provisions of the Memorandum & Articles of Association and the Companies Act, 1990 Part XIII and the Regulations.



Brown Brothers Harfiman Trustee Services (Ireland) Limited
30 Herbert St
Dublin 2
Ireland
23 April 2015

MANAGER'S REPORT

Sanlam Asset Management (Ireland) Limited ("SAMI" or the "Manager") presents herewith the Manager's Report for the year ended 31 December 2014.

SAMI has been appointed to serve as the Company's administrator and Alternative Investment Fund Manager ("AIFM") and to manage the assets of each Fund in accordance with its investment objective and policies as determined by the AIFM and any subsequent changes thereto.

As the AIFM, SAMI has responsibility for the management and administration of the Company's affairs and distribution of the Shares, subject to the overall supervision and control of the Directors of the Company. SAMI has delegated the performance of certain of its investment management functions in respect of the Company to the Investment Allocation Manager and the Investment Managers. In addition, SAMI has delegated the performance of certain of its distribution functions in respect of the Company to the Distributors. These delegation arrangements have been notified to the Central Bank and made in accordance with the SAMI's outsourcing/delegation policy, its Programme of Activity, the AIFM Regulations and the AIF Rulebook. SAMI will notify the Central Bank before any further delegation becomes effective and will be able to justify its entire delegation structure with objective reasons.

Performance and Investment Activities

An overall review of the economic environment is detailed in the Economic and Market Review on pages 13 to 16.

The performance and investment activities of the individual Funds of the Company are set out in the Investment Managers' reports on pages 17 to 22.

Material Changes

The AIFMD requires certain information to be made available to investors in AIFs, including the Company, before they invest and requires that material changes to this information be disclosed in the annual report. The Company's Prospectus and the Supplement of each Fund of the Company, which sets out information on the Company's investment strategy and policies, leverage, risk, liquidity, administration, management, fees, conflicts of interest and other shareholder information is available on the AIFM's website at www.sanlam.ie. There have been no material changes (other than those reflected in these financial statements) to this information requiring disclosure. Any information requiring immediate disclosure pursuant to the AIFMD will be disclosed to shareholders as and when it arises.

Portfolio Overview

The portfolios held by the individual Funds are disclosed on pages 35 to 41.

Other risk disclosures

The financial risk disclosures relating to the Company's risk framework and liquidity risk are set out in note 18 of the notes to and forming part of the audited financial statements on pages 78 to 97.

SAMI Remuneration Policy

The remuneration policy of the Manager for the year ended 31 December is disclosed on pages 107 to 109.

Leverage

The leverage of each Fund of the Company, as determined using the methodologies prescribed under the AIFMD is disclosed on pages 110.

ECONOMIC & MARKET REVIEW*for the year ended 31 December 2014***Global Review 2014**

The pace of world GDP growth remained restrained and uneven between countries in 2014. Global growth forecasts have persistently been revised lower over the past twelve months.

While economic recovery continued in the US and the UK, Europe stagnated and Japan faltered. In the US the improvement in the labour market is reflected in meaningfully lower unemployment rates. Concomitantly, the US housing market has stabilised and recorded a relative improvement from its slump during the recession. US real GDP advanced 5.0 per cent annualised in 3 Q14, following 4.6 per cent annualised in 2 Q14. In addition, the country has made material progress in lowering its government budget deficit. Overall, the US economic recovery seems set to continue in 2015.

The plunge in oil prices is helpful. The decrease not only reflects weak global demand, but also a positive supply shock. It should boost the terms of trade of oil importers and lift real income growth and spending.

For many oil producers, however, the fall in oil prices is a material adverse development that threatens financial and fiscal stability. A fall of this size must impact their external accounts and government finance adversely. In Russia, the currency has depreciated sharply, foreign exchange reserves have been drained and inflation is increasing. The country's central bank responded by hiking interest rates.

Emerging Market ("EM") GDP growth has been significantly softer than expected. Profit margins have been depressed and real economic activity is constrained by modest external demand growth, slow productivity advances and high levels of debt relative to GDP in a number of countries. Some economies have also been plagued by elevated inflation levels. Elsewhere, commodity producers had to contend with weaker terms of trade, although the situation should improve amongst oil importers. Amongst EM, the slowdown in growth in China has been a focal point where the downturn in the property sector was a significant drag on real economic activity in 2014.

After increasing early in the year, global headline inflation momentum faded sharply towards the end of 2014, partly reflecting the fall in energy prices. However, disinflation not only reflects lower oil prices. Global headline and core consumer price inflation remains low amidst modest wage growth, persistent negative output gaps and low or declining inflation expectations – especially in the Euro area where the annual advance in inflation declined outright in the year to December 2014.

Concern over possible widespread deflation in the Euro area, in addition to the lack of real GDP growth, encouraged the European Central Bank (ECB) to lower its key policy rates in September 2014 and to introduce measures to expand its balance sheet. In December 2014, the Bank indicated it had commenced purchasing covered bonds and asset-backed securities, while noting the purchase programmes is expected to continue for at least two years.

Outlook

On balance, the collapse in oil prices, if sustained, is expected to be a favourable development for global real economic activity. The IMF calculates the decline in fuel prices could add between 0.3 per cent and 0.8 per cent to world real GDP growth although the organisation revised its overall growth forecast for 2015 lower to 3.5 per cent, from 3.8 per cent previously, when it released its January 2015 World Economic Outlook Update. The downward revision reflects softness in investment spending.

Encouragingly, global industrial production momentum picked up in the final quarter of 2014, while global real retail sales have also improved.

ECONOMIC & MARKET REVIEW (CONTINUED)*for the year ended 31 December 2014***Outlook (continued)**

However, despite these developments, it is difficult to sketch a scenario for 2015 in which global real GDP growth lifts strongly. Amongst the EM countries, the People's Bank of China eased monetary policy late last year. But, the country is likely to struggle to maintain the high productivity growth rates that drove its stellar economic performance in past decades. And, EM, generally, must also contend with a material credit overhang.

Further, in DM, although monetary policy steadied the global economy as the past recession unfolded, it has failed to lift credit extension and real economic activity strongly, against a backdrop of high aggregate debt.

Inflation expectations are declining and near term global inflation momentum is expected to remain soft. US, although the labour market continues to improve with the unemployment rate declining to below 6%, average hourly earnings have slowed of late. In the Euro area, excess capacity, high unemployment rates and depressed inflation expectations are indicative of a deflationary environment.

Given current information, monetary policy stances are expected to differ markedly amongst the DM countries. The US Federal Open Market Committee (FOMC) ended its asset purchase programme in October 2014, while its forward guidance suggests a rising path for the Fed funds target rate from this year. Should inflation remain low for an extended period, this may delay / reduce the extent of hikes in the Fed funds target rate. Outcomes are data dependent. Nonetheless, attention remains focused on the likely pace and timing of increases in the federal funds target rate.

Developments in the Euro area are markedly different. There are some reasons to hope for better real GDP growth in the year ahead in the Euro area including less fiscal drag; the boost to the region's terms of trade and real incomes implied by the collapse in the oil prices and a temporary favourable impact from the depreciation of the Euro. However, credit extension is decidedly weak. Also, with prices falling nominal income growth is tepid, raising risks as regards fiscal sustainability in countries with high debt levels.

Against this background, on 22 January 2015, the European Central Bank (ECB) announced a sovereign quantitative easing programme, through which it intends expanding its asset purchase programme to include bonds issued by euro area governments, agencies and European institutions. Total asset purchases will amount to EUR60 billion per month until at least September 2016. The Bank indicated the intention of the programme is to meet its price stability mandate, while simultaneously signalling Euro area monetary policy is likely to remain extraordinarily accommodative for an extended period.

Global Equity Overview

In contrast to the market's start to 2011, 2012 and 2013, equity markets did not immediately start the year, in this case 2014, with a positive move up, but rather a more gentle sideways movement, which eventually saw equity markets decline in January 2014. There was then a bounce back in February, and a slow path of progress made throughout the year till the end of November, except for a set-back in late July into early August, and a much larger drop-off in October, which started in September. December saw a sharp, but short sell-off, which quickly rebounded, although markets drifted off towards year-end. Hence for the year, global equity markets, as measured by the MSCI World Index, rose by 4.94% in US dollar terms. The quarterly picture saw markets rise by 1.26%, 4.86% in the first two quarters of the year respectively, only to fall by -2.16% in the third quarter. The fourth quarter saw global equity markets progress by 1.01%.

ECONOMIC & MARKET REVIEW (CONTINUED)*for the year ended 31 December 2014***Global Equity Overview** *(continued)*

As always the year was not without its challenges. Some of the initial concern at the start of 2014 related to the severe US winter, which clearly had a harsher impact on US quarterly GDP than many had expected. This recovered later in the year, but restrained markets in the early part of 2014. Meanwhile Janet Yellen's appointment to take the head role at the US Federal Reserve appears to have been implemented relatively smoothly. The other major event in the first quarter of 2014 was the political developments in the Ukraine, and explicitly in Crimea, with the Russian influence clearly being identifiable. Whilst this may no longer grab the headlines, at least not daily, the underlying issues remain unresolved, and this remains a concern and threat to future global economic progress. From an economic standpoint a slowdown in China was also a major concern for the markets during the first half of 2014, and while this remained an issue for the rest of 2014 and going forward, the economic headlines later in 2014 were mainly focused on oil. In 2014 this peaked around the end of June, but for the second half of 2014 it saw an increasingly rapid decline, which saw Brent Crude fall from around \$115 a barrel to under \$60 a barrel by year-end. This was partly related to movements in the US dollar exchange rate, but the underlying over supply, at least partly due to the US shale gas industry, was one of the major factors in leading OPEC to change its strategy.

At a regional level the clear driver of equity returns in 2014 was the USA which rose 11.90%. In dollar terms the other major markets of Europe, Japan and the Pacific excluding Japan produced negative returns of -6.18%, -4.02% and -0.47%, though these returns mask the impact of the US dollar movements. In local terms these markets all rose with Japan gaining nearly 9.50%, the Pacific excluding Japan region rising 5.71% and Europe gaining 4.66%. The sharp contrast here was emerging markets which again under-performed developed markets, as they declined by -2.19% in US dollar terms, but rose 5.17% in local terms. At a sector level, generally defensive areas of the market did better, with Health Care leading the way with an 18% rise, Utilities gaining more than 15% and Consumer Staples rising over 7%. Information Technology was the only sector to break this trend with a rise of 16%. The weakest sector by far was Energy falling -11.60%, with Materials declining just over -5%, and Telecommunication Services returning -1.91%.

Global Fixed Interest Overview

Given the global bond market decline in 2013 and the still relatively low level of yields, many market participants started 2014 positioned for further falls in bond prices as there was an expectation that yield levels would rise. However to the surprise of many, bond yields fell once again in 2014. The US 10-year treasury yield fell from a starting level just above 3.0% to 2.17% by year-end, with the lows for the year being reached in December. Given market participant's positioning this steady fall over 2014 was not expected by most. It was also not exclusively a US phenomenon as the UK 10-year gilt yield also fell from above 3.0% to below 1.8% by year-end. However, neither of these moves matched what happened in continental Europe where the yield on the 10-year German bund fell from nearly 2.0% at the start of 2014 to around 0.5% by the end of the year (and even lower in the first part of 2015).

With the fall in yields global bond markets produced positive returns in 2014. Using the Barclays Capital Global Aggregate Bond Index, global bond markets produced a return of 0.58% for 2014. The first half of the year was much more positive with bond markets rising by 2.40% and 2.47% in the first and second quarters respectively. However, in the third and fourth quarters bond markets declined by -3.14% and -1.04% respectively. This was partly driven by the strength of the US dollar which was a major factor from the start of July, but became more noticeable from August onwards. From then till the end of 2014 the US dollar continued to strengthen in an almost uniform fashion compared to all the major currencies.

ECONOMIC & MARKET REVIEW (CONTINUED)

for the year ended 31 December 2014

Global Fixed Interest Overview (continued)

One of the major issues in 2014 was when the US Federal Reserve would cease its quantitative easing program, and whilst there was much discussion of this during 2014, this was brought to an end without any material impact on markets. This was partly softened by the activity of the Bank of Japan which continued on an aggressive quantitative easing program and expanded it further during 2014. Meanwhile there was much speculation about the European Central Bank's intentions, and in 2014 it moved ever closer to launching a similar program (although the program itself was not formally announced till early 2015). The expected central bank divergence in 2014 did not materialise, and has been postponed till 2015, when it is expected to be a factor for consideration.

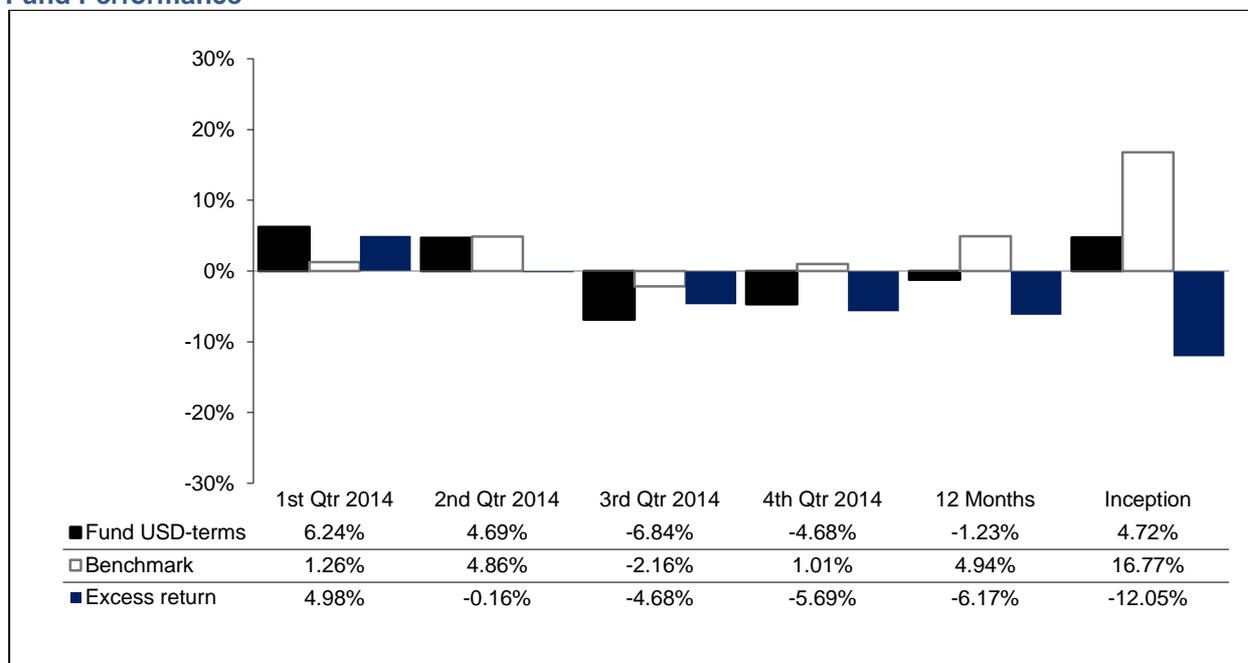
Turning to the corporate bond market these out-performed the wider bond market in 2014, with the Barclays Capital Global Aggregate Corporate Bond Index returning 3.13% in 2014. Like the wider bond market this produced positive returns in the first two quarters of 2015, being 2.60% and 2.66% for the first and second quarters respectively. Similarly to the overall bond market in the third quarter the corporate bond market declined by -2.13%, but it bucked the overall bond market trend in the fourth quarter and managed to produce a positive absolute return, just, of 0.04%. This does show though, that corporate bonds out-performed the wider bond market on a consistent quarterly basis throughout 2014.

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 but 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.

2014 was a challenging year for the Fund. The Fund produced a negative return of -1.23% in absolute terms and significantly under-performed its benchmark, the MSCI World Index. The Fund’s benchmark rose 4.94% for 2014, and so consequently, the Fund under-performed by -6.17% for the year. The Fund’s performance started the year strongly, with out-performance of nearly 5% in the first quarter, while during the second quarter the Fund under-performed by only -0.16%. However, the third and fourth quarters were very negative relative periods, where the Fund under-performed by -4.68% and -5.69% respectively. As a function of this, the Fund continues to remain well behind its benchmark, and has continued to lose ground during 2014. The Fund is now around -12% behind its benchmark since inception.

Fund Outlook

Equity markets have performed strongly over recent years, and while 2014 saw a more modest return, it was another positive year for equities. With the equity bull market well developed and valuations no longer at cheap levels, it can be difficult to see where further progress can come from. The main likely source of future returns for equities is for companies to deliver earnings growth, which in turn should occur from a gradually improving overall global economic environment. Equity market multiple expansion has been a significant source of return over recent years, but if this were to continue, the attractiveness of equities would be increasingly challenged. Solid dividend income streams are likely to remain an overall important part of equity returns. Hence, if the global economic picture continues to improve in 2015, which global central bankers are focused on achieving, then equity markets should end 2015 higher than where they started the year, which should bode well for this Fund. Risks obviously remain to challenge this, including that the US Federal Reserve is likely to raise US interest rates during 2015, and there remains a risk of economic slowdown or some geopolitical issue to cause equity markets to cease making positive progress.

Investment Manager

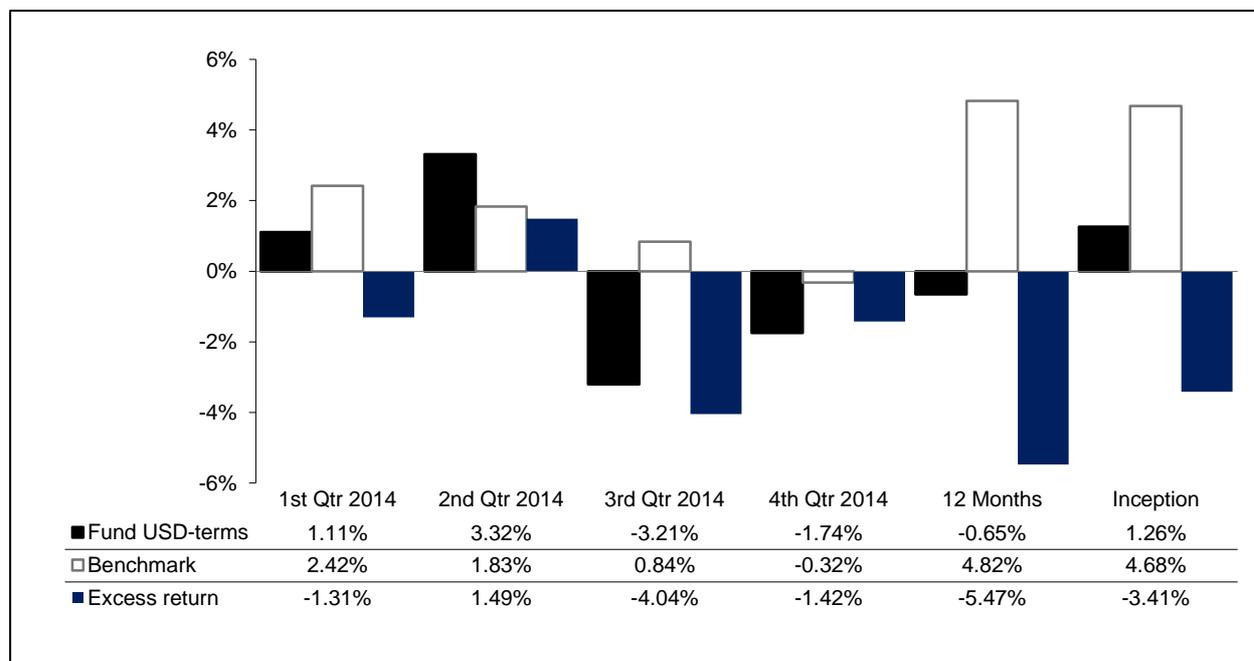
Sanlam Investment Management (Pty) Limited

**SANLAM CENTRE MULTI-ASSET REAL RETURN FEEDER FUND
(FORMERLY SANLAM DREXEL HAMILTON MULTI-ASSET REAL RETURN FEEDER FUND)**

Investment Objective

The investment objective of Sanlam Centre 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.

For the year, the Fund lost -0.65%, while its benchmark, the US Consumer Price Index (CPI) +4%, rose 4.82%, hence the Fund under-performed by -5.47% for the year. The Fund delivered positive returns in the first quarter of the year, but under-performed its benchmark by -1.31%, the second quarter saw the Fund recoup all of these losses by out-performing the benchmark by +1.49%. However in the latter half of the year the Fund performed poorly, with the worst quarter being the third with an under-performance of -4.04%. This was followed up in the fourth quarter with another negative relative quarter of -1.42%. While the Fund has delivered a positive absolute return since inception of 1.26%, it finds itself -3.41% behind its benchmark since inception.

Fund Outlook

The outlook for this Fund should be positive for 2015. Equity markets have the potential to continue to progress on the back of an improving global economic outlook. Meanwhile, while bond valuations look to be unattractive from a long-term perspective, with central bank stimulus continuing to occur, albeit from somewhat different sources in 2015, there should remain an underlying demand for bond securities. This in turn should keep sovereign yield levels low and mitigate any significant back-up in their absolute yield levels. Even the threat and likely US interest rate rises are unlikely to provide any material challenge to global bond yields overall, at least for 2015, though the pressure is gradually mounting. Furthermore commodity markets look increasingly attractive and there are opportunities in that asset class that this Fund will seek to exploit should market conditions be suitable. While the Fund has had a difficult year in 2014, there remains a positive outlook for the Fund both in absolute and relative terms.

Investment Manager

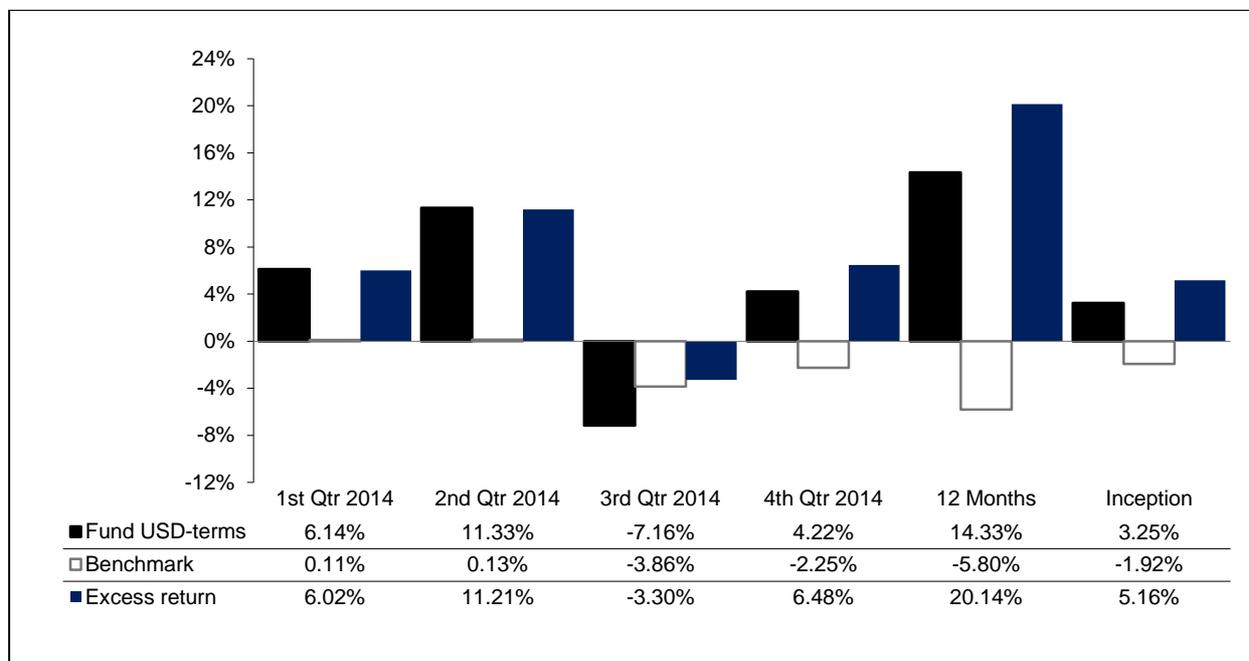
Sanlam International Investments Limited

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 2014, the Fund had an extremely 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 14.33%, whilst its benchmark declined -5.80%, hence the Fund out-performed by +20.14%. The Fund out-performed global equity markets in 2014, which delivered a return of almost 5%, as measured by the MSCI World Index, the Fund also out-performed global fixed income markets, as measured by the Barclays Capital Global Aggregate Index, which delivered a return of only 0.58% for 2014. The Fund performed strongly relative to its benchmark in the first, second and fourth quarters, but gave some of this back in the third quarter. Given the Fund’s strong performance in 2014, the Fund is now ahead of its benchmark since inception with a relative out-performance of +5.16%.

Fund Outlook

The Fund continues to be invested in a concentrated basket of listed property securities. Should investor demand for income related and bond proxy investments remain, then it is likely that these investments will continue to do well relative to both bonds and equities. However, at some point this will cease, and the question is whether this will be in 2015. With the US Federal Reserve expected to raise US base interest rates at some point in 2015, it could be a challenging time for such securities. There also remain outside risks of exogenous shocks from geo-political aspects, including potentially escalation of issues between Russia and the Ukraine, or in the Middle East, or from some new emerging threat. This all said the economic fundamentals globally appear to be on a modest, but generally improving trend, and this should provide the backdrop for markets to make positive progress during 2015. In this environment there should be no significant threat to the absolute return of these investments, although whether they will perform better than bonds or equities or both, will be largely dependent on the future path of economic progress.

Investment Manager

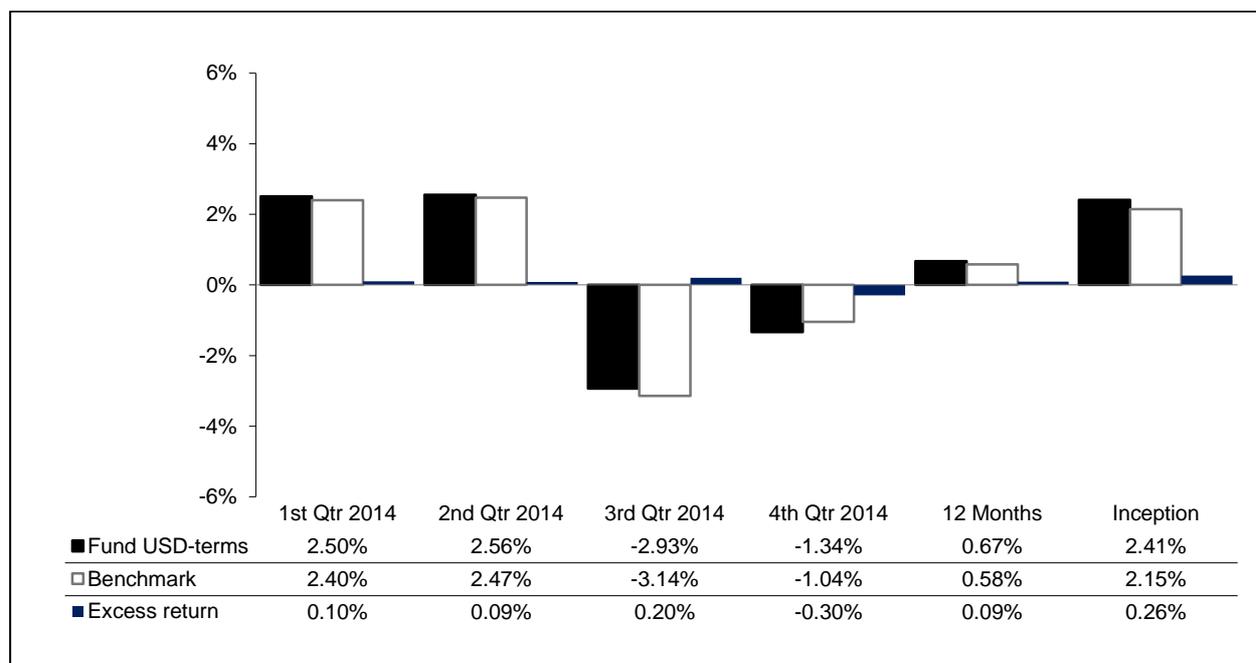
Sanlam Investment Management (Pty) Limited

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 produced another reasonable year during 2014. For the year, the Fund returned 0.67%, while its benchmark, the Barclays Global Aggregate Index returned 0.58%, hence the Fund out-performed by +0.09%. During the first three quarters the Fund out-performed the benchmark consistently, bringing the relative performance to +0.40%, however during the fourth quarter the Fund gave most of this out-performance back, ending up only +0.09% ahead of the benchmark for the year. Since inception the Fund has risen 2.41%, and is out-performing its benchmark by +0.26%.

Fund Outlook

With global bond markets managing to deliver a positive return in 2014, albeit at more modest level than in 2011 and 2012, and superior to the negative absolute return in 2013, the outlook for bond markets remains positive for 2015, although longer-term issues are an increasing threat. With central bank stimulus continuing to occur, albeit from somewhat different sources in 2015, there should remain an underlying demand for bond securities. This in turn should keep sovereign yield levels low and mitigate any significant back-up in their absolute yield levels. Even the threat and likely US interest rate rises are unlikely to provide any material challenge to global bond yields overall, at least for 2015. Non-sovereign areas of the bond markets exhibit differing levels of attractiveness, though selective exposure to these sub-components of the overall bond market do offer opportunity for both absolute and relative returns. The Fund will continue to attempt to add value through a combination of top-down and bottom-up sources, which should hopefully enable it to deliver overall out-performance for 2015.

Investment Manager

Sanlam Investment Management (Pty) Limited

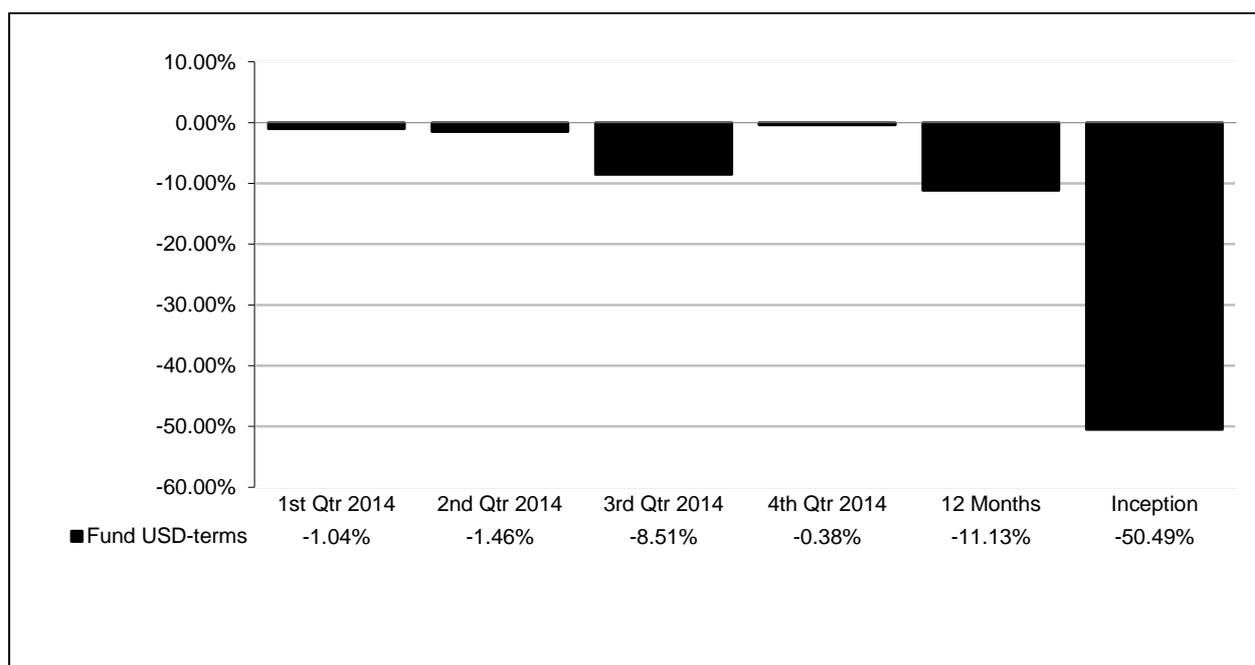
SANLAM CREDIT INCOME FUND

Investment Objective

The Sanlam Credit Income Fund (“the Fund”) aims to provide long-term capital growth. There are no guarantees that the Fund will meet its investment objective.

The Investment Manager intends to achieve the Fund's investment objective by investing primarily in equity derivative instruments. The Fund may trade derivatives such as options (OTC), forwards, swaps and related indices. The Fund may also invest in money market instruments, equities or bonds across European developed markets as required.

Fund Performance



Note: Performance figures are annualised. Figures are quoted net of fees.

The Fund has no specified bench mark. The Fund was invested in cash for the first half of 2014.

The Sanlam Credit Income Fund houses a passive investment (i.e. a structured product) with a 3.5 year term. There are no further sales or inflows envisaged for this fund during this investment term. The Fund value are basically driven by the mark-to-market valuation of the capital guarantee (at maturity), as well as the equity options on the Eurostoxx50 and FTSE100 Indices. The Fund is the subject of certain linked policies issued by Sanlam Life Insurance Ltd.

Fund Outlook

The Investment Manager attempts to achieve the returns required to match the liabilities towards investors by investing in derivatives tracking specified indices. The underlying investments are linked to returns on these specified indices and the Fund is expected to perform according to these indices.

Investment Manager

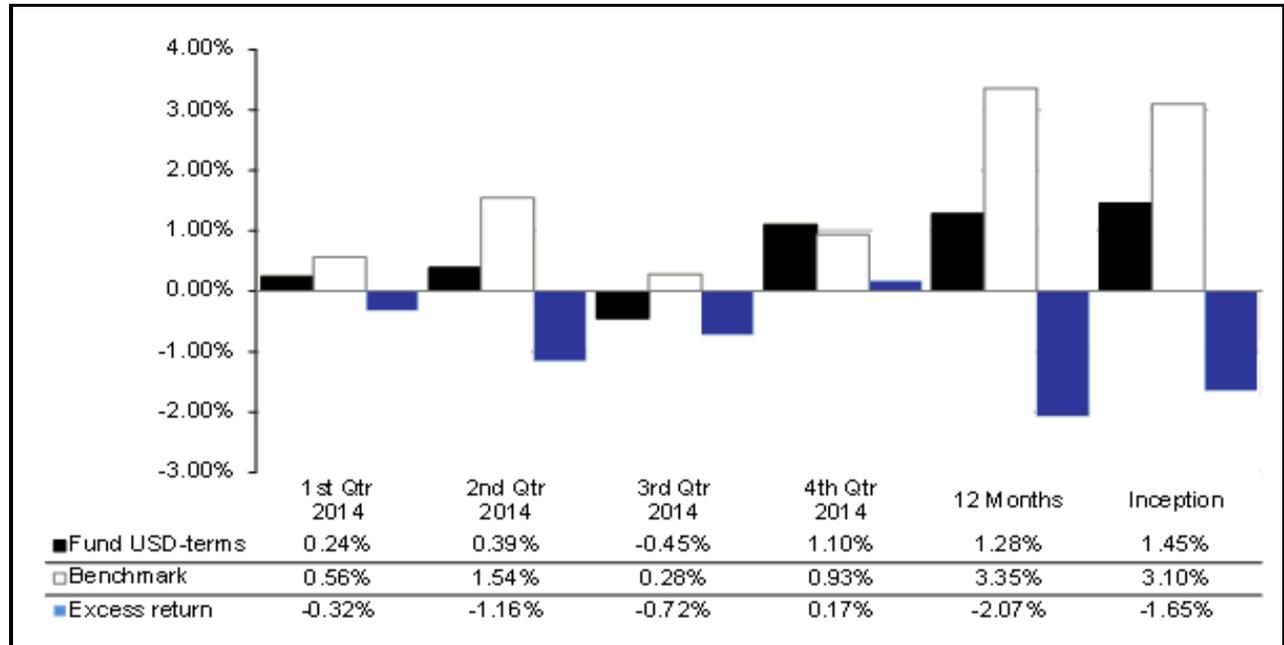
Sanlam Investment Management (Pty) Limited

SANLAM GLOBAL FUND OF HEDGE FUNDS

Investment Objective

The Sanlam Global Fund of Hedge Fund (“the Fund”) aims to generate moderate absolute returns with low volatility and little correlation to general equity and bond markets.

Fund Performance



The Fund is benchmarked against HFRI Fund of Funds Composite Index. Note: Performance figures longer than 12 months are annualised. Figures are quoted net of fees.

The past 12 months have been difficult for the fund. While it was able to deliver on the objective of absolute returns, the level of these returns was disappointing and the fund underperformed the HFRI Fund of Funds Index by 2.07%. Half of this underperformance came from the extremely disappointing performance of the fund’s exposure to a US based mortgage backed security fund, which despite being a small exposure on the fund delivered outsized negative returns. The rest of the underperformance came from exposure to a CTA (since disinvested) in the 1st quarter and the liquid alternative UCITS universe. On the positive side, the fund’s exposure to energy and quantitative strategies produced very solid returns in excess of 20% for the year. With global macro and other uncorrelated strategies starting to perform better in the last quarter, the investment team is confident of stronger performance in 2015.

Fund Outlook

Since the Sanlam Global Fund of Hedge Funds was launched at the end of 2010, the primary goal at the underlying manager level has been to ensure that the fund is populated with world class managers with robust investment processes and sound risk management. As at 31 December 2014, the fund management team at Sanlam International Investments believe that the fund finally reflects the quality of managers we have been striving for. This should lead to more stability on the portfolio at a manager level than has been the case in the past. This coupled with what we believe to be a more alpha friendly investment environment (one less dominated by the beta trade) should see both higher returns and a better quality of return being produced by the fund. Overall the investment management team is confident of achieving the fund’s investment objective in 2015.

Investment Manager

Sanlam International Investments Limited

STATEMENT OF COMPREHENSIVE INCOME OF THE COMPANY

for the year ended 31 December 2014

	Year ended 31 December 2014 USD	Year ended 31 December 2013 USD
Investment income		
Net gains on financial assets and liabilities at fair value through profit or loss – held for trading	28,191,286	51,236,068
Income from financial assets at fair value through profit or loss	19,769,367	21,354,223
Income from stock lending	505,187	384,363
Bank interest	11,792	17,316
Other income	11,194	20,854
Net investment income	48,488,826	73,012,824
Operating expenses		
Management fee	(5,839,422)	(5,444,777)
Administration fees	(383,271)	(224,408)
Other operating expenses	(304,800)	(270,474)
Custody fees	(76,126)	(124,031)
Directors' fees	(15,708)	(25,415)
Total operating expenses	(6,619,327)	(6,089,105)
Operating profit	41,869,499	66,923,719
Finance costs		
Interest expense	(1,426)	(800)
Income equalization	(5,517,843)	(6,943,446)
Profit before tax	36,350,230	59,979,473
Withholding tax	(4,143,558)	(3,603,543)
Change in net assets attributable to holders of redeemable participating shares	32,206,672	56,375,930

The annual audited financial statements were approved by the Board of Directors on 23 April 2015.



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 2014

	Note	Sanlam Institutional Equity Flexible Fund USD	Sanlam Centre Multi-Asset Real Return Feeder Fund* USD	Sanlam Institutional Balanced Fund USD	Sanlam Institutional Bond Fund USD	Sanlam Credit Income Fund USD	Sanlam Global Fund of Hedge Funds** USD
Investment income							
Net gains/(losses) on financial assets and liabilities fair at fair value through profit or loss – held for trading	6	(3,789,036)	(1,432,518)	31,665,594	914,815	(919,633)	1,752,064
Income from financial assets at fair value through profit or loss		2,546,236	1,607,646	15,615,485	-	-	-
Income from stock lending	17	304,732	-	200,455	-	-	-
Bank interest		1,430	361	257	-	7,978	1,766
Other income		863	5,420	1,929	2,244	738	-
Net investment income/(deficit)		(935,775)	180,909	47,483,720	917,059	(910,917)	1,753,830
Operating expenses							
Management fee	12	(1,807,284)	(88,784)	(2,434,484)	(957,921)	(10,597)	(540,352)
Administration fees	12	(94,028)	(34,444)	(139,405)	(43,345)	(816)	(71,233)
Other operating expenses		(68,276)	(26,756)	(131,200)	(13,906)	(16,504)	(48,158)
Custody fees		(29,219)	(9,908)	(71,586)	43,444	7,981	(16,838)
Directors' fees		(2,242)	(2,598)	(6,344)	(2,723)	211	(2,012)
Total operating expenses		(2,001,049)	(162,490)	(2,783,019)	(974,451)	(19,725)	(678,593)
Operating profit/(loss)		(2,936,824)	18,419	44,700,701	(57,392)	(930,642)	1,075,237
Finance costs							
Interest expense		-	-	-	(793)	(633)	-
Income equalization		(859,328)	-	(4,824,891)	166,376	-	-
Profit/(loss) before tax		(3,796,152)	18,419	39,875,810	108,191	(931,275)	1,075,237
Withholding tax		(581,010)	(482,294)	(3,080,254)	-	-	-
Change in net assets attributable to holders of redeemable participating shares		(4,377,162)	(463,875)	36,795,556	108,191	(931,275)	1,075,237

*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.

**The final net asset value calculation for Sanlam Global Fund of Hedge Funds, a sub-fund within Sanlam Global Fund of Hedge Funds Plc, was at 29 August 2014. All investments were transferred to Sanlam Global Fund of Hedge Funds, a sub-fund within Sanlam Qualifying Investors Funds Plc, on 1 September 2014.

STATEMENTS OF COMPREHENSIVE INCOME OF THE FUNDS (CONTINUED)

for the year ended 31 December 2013

	Note	Sanlam Institutional Equity Flexible Fund USD	Sanlam Centre 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 USD
Investment income							
Net gains/(losses) on financial assets and liabilities fair at fair value through profit or loss – held for trading	6	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	17	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	12	(1,884,557)	(84,868)	(2,548,841)	(912,289)	-	(14,222)
Administration fees	12	(70,670)	(17,353)	(89,653)	(40,127)	(1,997)	(4,608)
Other operating expenses		(53,466)	(34,481)	(62,990)	(30,277)	(60,451)	(28,809)
Custody fees		(30,000)	(3,500)	(42,100)	(42,000)	(619)	(5,812)
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

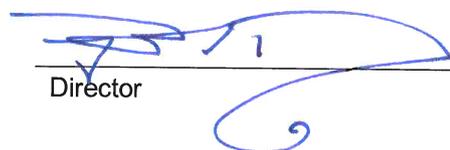
*The Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund changed its name to the Sanlam Centre Multi-Asset Real Return Feeder Fund effective 20 February 2014.

STATEMENT OF FINANCIAL POSITION OF THE COMPANY

as at 31 December 2014

	31 December 2014 USD	31 December 2013 USD
Assets		
Cash and cash equivalents	22,378,114	2,525,012
Accrued income	499	640
Amounts receivable on issue of shares	-	997,652
Amounts receivable on sale of securities	1,110,330	-
Financial assets at fair value through profit or loss	894,175,414	755,779,673
Other debtors	153,234	103,001
	<hr/>	<hr/>
Total assets	917,817,591	759,405,978
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Liabilities		
Bank overdraft	(456,507)	(557,028)
Financial liabilities at fair value through profit or loss	(67,338)	-
Accrued expenses	(1,452,681)	(768,835)
Administration fees accrued	(141,613)	(41,321)
Amounts payable on repurchase of shares	(431,600)	-
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Liabilities (excluding net assets attributable to holders of redeemable participating shares)	(2,549,739)	(1,367,184)
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Net assets attributable to holders of redeemable participating shares	915,267,852	758,038,794
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The annual audited financial statements were approved by the Board of Directors on 23 April 2015.


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 2014

	Note	Sanlam Institutional Equity Flexible Fund USD	Sanlam Centre Multi-Asset Real Return Feeder Fund* USD	Sanlam Institutional Balanced Fund USD	Sanlam Institutional Bond Fund USD	Sanlam Credit Income Fund USD	Sanlam Global Fund of Hedge Funds** USD
Assets							
Cash and cash equivalents		908,328	-	5,496,175	95,302	66,726	15,811,583
Accrued income		-	-	-	-	7	492
Amounts receivable on sale of securities		-	-	-	-	-	1,110,330
Financial assets at fair value through profit or loss	7,8,18	217,449,900	58,173,761	300,129,318	123,418,118	13,644,581	181,359,736
Other debtors		29,896	40,564	35,726	24,665	10,250	12,133
Total assets		218,388,124	58,214,325	305,661,219	123,538,085	13,721,564	198,294,274
Liabilities							
Bank overdraft		-	(456,507)	-	-	-	-
Financial liabilities at fair value through profit or loss	7,8,18	-	-	-	-	-	(67,338)
Accrued expenses		(157,424)	(16,402)	(238,819)	(86,754)	(8,955)	(944,327)
Administration fees accrued	12	(24,843)	(6,558)	(31,257)	(14,598)	(2,243)	(62,114)
Amounts payable on purchase of shares		-	-	-	-	-	(431,600)
Liabilities (excluding net assets attributable to holders of redeemable participating shares)		(182,267)	(479,467)	(270,076)	(101,352)	(11,198)	(1,505,379)
Net assets attributable to holders of redeemable participating shares	19	218,205,857	57,734,858	305,391,143	123,436,733	13,710,366	196,788,895

*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.

**The final net asset value calculation for Sanlam Global Fund of Hedge Funds, a sub-fund within Sanlam Global Fund of Hedge Funds Plc, was at 29 August 2014. All investments were transferred to Sanlam Global Fund of Hedge Funds, a sub-fund within Sanlam Qualifying Investors Funds Plc, on 1 September 2014.

STATEMENTS OF FINANCIAL POSITION OF THE FUNDS (CONTINUED)

as at 31 December 2013

	Note	Sanlam Institutional Equity Flexible Fund USD	Sanlam Centre 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 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	7,8,18	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	12	(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	19	241,968,992	58,198,733	326,532,367	130,552,113	-	786,589

*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.

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

for the year ended 31 December 2014

	Year ended 31 December 2014 USD	Year ended 31 December 2013 USD
Operating activities		
Change in net assets attributable to participating shareholders from operations	32,206,672	56,375,930
Capital transactions		
Issue of shares during the year	253,694,453	65,550,242
Redemption of shares during the year	(128,672,067)	(167,583,302)
Net increase/(decrease) in net assets attributable to holders of redeemable participating shares from capital transactions	125,022,386	(102,033,060)
Net increase/(decrease) in net assets attributable to holders of redeemable participating shares in the year	157,229,058	(45,657,130)
Net assets attributable to holders of redeemable participating shares at the beginning of the year	758,038,794	803,695,924
Net assets attributable to holders of redeemable participating shares at the end of the year	915,267,852	758,038,794

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 2014

	Sanlam Institutional Equity Flexible Fund USD	Sanlam Centre Multi-Asset Real Return Feeder Fund * USD	Sanlam Institutional Balanced Fund USD	Sanlam Institutional Bond Fund USD	Sanlam Credit Income Fund USD	Sanlam Global Fund of Hedge Funds USD
Operating activities						
Change in net assets attributable to participating shareholders from operations	(4,377,162)	(463,875)	36,795,556	108,191	(931,275)	1,075,237
Capital transactions						
Issue of shares during the year	5,910,253	-	1,140,846	5,454,824	14,549,149***	226,639,381**
Redemption of shares during the year	(25,296,226)	-	(59,077,626)	(12,678,395)	(694,097)	(30,925,723)
Net increase/(decrease) in net assets attributable to holders of redeemable participating shares from capital transactions	(19,385,973)	-	(57,936,780)	(7,223,571)	13,855,052	195,713,658
Net increase/(decrease) in net assets attributable to holders of redeemable participating shares in the year	(23,763,135)	(463,875)	(21,141,224)	(7,115,380)	12,923,777	196,788,895
Net assets attributable to holders of redeemable participating shares at the beginning of the year	241,968,992	58,198,733	326,532,367	130,552,113	786,589	-
Net assets attributable to holders of redeemable participating shares at the end of the year	218,205,857	57,734,858	305,391,143	123,436,733	13,710,366	196,788,895

*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.

**The final net asset value calculation for Sanlam Global Fund of Hedge Funds, a sub-fund within Sanlam Global Fund of Hedge Funds Plc, was calculated at 29 August 2014. All investments were transferred to the Sanlam Global Fund of Hedge Funds, a sub-fund within Sanlam Qualifying Investors Funds Plc, on 1 September 2014 by way of an in-specie subscription.

***Subscriptions include in specie transfers from Sanlam Life Insurance Limited during the year, in exchange for assets with a fair value at date of transfer of USD 14,549,150.

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

for the year ended 31 December 2013

	Sanlam Institutional Equity Flexible Fund USD	Sanlam Centre 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 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.

***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.

STATEMENT OF CASH FLOWS OF THE COMPANY

for the year ended 31 December 2014

	2014	2013
	USD	USD
Cash flows from operating activities		
Purchases of financial assets and settlement of financial liabilities	(366,050,160)	(411,567,307)
Proceeds from sale of investments (including realised gains)	256,064,499	527,749,319
Dividends received	15,625,809	17,750,680
Interest received	10,507	15,876
Income from stock lending received	505,187	384,363
Other income received	11,194	20,854
Operating expenses paid	(5,942,764)	(7,114,616)
	<hr/>	<hr/>
Net cash (outflow)/inflow from operating activities	(99,775,728)	127,239,169
	<hr/>	<hr/>
Cash flows from financing activities		
Proceeds from redeemable participating shares issued	253,639,117	64,552,590
Redemption of redeemable participating shares	(128,240,467)	(189,677,139)
Income equalization	(5,517,843)	(6,947,630)
	<hr/>	<hr/>
Net cash provided by/(used in) financing activities	119,880,807	(132,072,179)
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	20,105,079	(4,833,010)
	<hr/>	<hr/>
Cash and cash equivalents at the start of the year	1,967,984	6,739,000
Exchange gains/(losses) on cash and cash equivalents	(151,456)	61,994
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	21,921,607	1,967,984
	<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 2014

	Sanlam Institutional Equity Flexible Fund USD	Sanlam Centre Multi-Asset Real Return Feeder Fund * USD	Sanlam Institutional Balanced Fund USD	Sanlam Institutional Bond Fund USD	Sanlam Credit Income Fund USD	Sanlam Global Fund of Hedge Funds USD
Cash flows from operating activities						
Purchases of financial assets and settlement of financial liabilities	(111,702,945)	(1,607,646)	(24,982,054)	(4,522,201)	(14,549,150)	(208,686,164)
Proceeds from sale of investments (including realised gains)	131,487,614	-	82,961,091	12,469,950	-	29,145,844
Dividends received	1,965,226	1,125,352	12,535,231	-	-	-
Interest received	1,430	361	257	(793)	7,978	1,274
Income from stock lending received	304,732	-	200,455	-	-	-
Other income received	863	5,420	1,929	2,244	738	-
Operating expenses paid	(2,048,034)	(208,905)	(2,772,703)	(1,067,010)	(65,842)	258,373
Net cash inflow/(outflow) from operating activities	20,008,886	(685,418)	67,944,206	6,882,190	(14,606,276)	(179,280,673)
Cash flows from financing activities						
Proceeds from redeemable participating shares issued	5,910,253	-	2,138,498	5,454,824	14,549,149***	225,586,393**
Redemption of redeemable participating shares	(25,296,226)	-	(59,077,626)	(12,678,395)	(694,097)	(30,494,123)
Income equalization	(859,328)	-	(4,824,891)	166,376	-	-
Net cash provided by/(used in) financing activities	(20,245,301)	-	(61,764,019)	(7,057,195)	13,855,052	195,092,270
Net increase/(decrease) in cash and cash equivalents	(236,415)	(685,418)	6,180,187	(175,005)	(751,224)	15,811,597
Cash and cash equivalents at the start of the year	1,154,137	228,914	(557,028)	270,304	833,014	-
Exchange gains/(losses) on cash and cash equivalents	(9,394)	(3)	(126,984)	3	(15,064)	(14)
Cash and cash equivalents at the end of the year	908,328	(456,507)	5,496,175	95,302	66,726	15,811,583

*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.

**The final net asset value calculation for Sanlam Global Fund of Hedge Funds, a sub-fund within Sanlam Global Fund of Hedge Funds Plc, was calculated at 29 August 2014. All investments were transferred to the Sanlam Global Fund of Hedge Funds, a sub-fund within Sanlam Qualifying Investors Funds Plc, on 1 September 2014 by way of an in-specie subscription.

***Subscriptions include in specie transfers from Sanlam Life Insurance Limited during the year, in exchange for assets with a fair value at date of transfer of USD 14,549,150.

STATEMENTS OF CASH FLOWS OF THE FUNDS (CONTINUED)

for the year ended 31 December 2013

	Sanlam Institutional Equity Flexible Fund USD	Sanlam Centre 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 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

*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.

PORTFOLIO OF INVESTMENTS OF SANLAM INSTITUTIONAL EQUITY FLEXIBLE FUND
as at 31 December 2014

Nominal	Security	Classification	Fair Value USD	% of Net Assets
Financial assets at fair value through profit or loss				
Collective Investment Schemes - 99.65%				
68,862,748	Sanlam Europe (ex UK) Equity Tracker Fund		74,144,521	33.98%
102,633,319	Sanlam Equity Allocation Fund		108,308,941	49.64%
33,983,722	Sanlam UK Equity Tracker Fund		34,996,438	16.03%
Total Collective Investment Schemes			217,449,900	99.65%
Total financial assets at fair value through profit or loss			217,449,900	99.65%
Cash and cash equivalents			908,328	0.42%
Other net assets and liabilities			(152,371)	(0.07)%
Net assets attributable to holders of redeemable participating shares			218,205,857	100.00%

PORTFOLIO OF INVESTMENTS OF SANLAM CENTRE MULTI-ASSET REAL RETURN FEEDER FUND (FORMERLY SANLAM DREXEL HAMILTON MULTI-ASSET REAL RETURN FEEDER FUND)

as at 31 December 2014

Nominal	Security	Classification	Fair Value USD	% of Net Assets
Financial assets at fair value through profit or loss				
Collective Investment Schemes – 100.76%				
6,123,554	Drexel Hamilton Multi Asset Real Return Fund		58,173,761	100.76%
Total Collective Investment Schemes			58,173,761	100.76%
Total financial assets at fair value though profit or loss			58,173,761	100.76%
Bank overdraft			(456,507)	(0.79)%
Other net assets and liabilities			17,604	0.03%
Net assets attributable to holders of redeemable participating shares			57,734,858	100.00%

PORTFOLIO OF INVESTMENTS OF SANLAM INSTITUTIONAL BALANCED FUND
as at 31 December 2014

Nominal	Security	Classification	Fair Value USD	% of Net Assets
Financial assets at fair value through profit or loss				
Equity - 98.28%				
Australia - 10.37%				
11,077,039	Scentre Group		31,679,716	10.37%
Total Australia			31,679,716	10.37%
Belgium - 11.07%				
291,160	Cofinimmo		33,812,470	11.07%
Total Belgium			33,812,470	11.07%
France - 11.00%				
361,537	Fonciere Des Regions		33,598,792	11.00%
Total France			33,598,792	11.00%
Great Britain - 11.66%				
2,940,983	British Land Co Plc		35,610,781	11.66%
Total Great Britain			35,610,781	11.66%
Netherlands - 21.00%				
709,062	Corio NV		34,861,071	11.42%
424,290	Wereldhave NV		29,264,920	9.58%
Total Netherlands			64,125,991	21.00%
Switzerland - 10.53%				
437,714	Swiss Prime Site AG		32,158,939	10.54%
Total Switzerland			32,158,939	10.53%
United States of America - 22.65%				
770,930	HCP INC		33,944,048	11.11%
465,159	Health Care Reit Inc		35,198,581	11.54%
Total United States			69,142,629	22.65%
Total Equity			300,129,318	98.28%
Total financial assets at fair value though profit or loss			300,129,318	98.28%
Cash and cash equivalents			5,496,175	1.80%
Other net assets and liabilities			(234,350)	(0.08)%
Net assets attributable to holders of redeemable participating shares			305,391,143	100.00%

PORTFOLIO OF INVESTMENTS OF SANLAM INSTITUTIONAL BOND FUND

as at 31 December 2014

Nominal	Security	Classification	Fair Value USD	% of Net Assets
Financial assets at fair value through profit or loss				
Collective Investment Schemes - 99.98%				
86,506,005	Sanlam Global Bond Fund		123,418,118	99.98%
Total Collective Investment Schemes			123,418,118	99.98%
Total financial assets at fair value through profit or loss			123,418,118	99.98%
Cash and cash equivalents			95,302	0.08%
Other net assets and liabilities			(76,687)	(0.06)%
Net assets attributable to holders of redeemable participating shares			123,436,733	100.00%

PORTFOLIO OF INVESTMENTS OF SANLAM CREDIT INCOME FUND

as at 31 December 2014

Nominal	Security	Classification	Fair Value USD	% of Net Assets
Financial assets at fair value through profit or loss				
Equity linked notes - 99.46%				
165,668,056	Basket of Indices ELN		13,636,601	99.46%
Total Equity linked notes			13,636,601	99.46%
Derivative financial instruments*				
Notional	Underlying	Maturity	Fair Value USD	% of Net Assets
Option contracts - 0.06%				
54,200,955	Basket of Indices Call 1836	03/01/2018	7,980	0.06% ¹
Total Option contracts			7,980	0.06%
Total financial assets at fair value though profit or loss			13,644,581	99.52%
Cash and cash equivalents			66,726	0.49%
Other net assets and liabilities			(941)	(0.01)%
Net assets attributable to holders of redeemable participating shares			13,710,366	100.00%

*Barclays Bank¹ acts as counterparty to the open option position at 31 December 2014.

PORTFOLIO OF INVESTMENTS OF SANLAM GLOBAL FUND OF HEDGE FUNDS
as at 31 December 2014

Nominal	Security	Classification	Fair Value USD	% of Net Assets
Financial assets at fair value through profit or loss				
Class A: Collective Investment Schemes - 91.70%				
3,616	Alphabridge Fixed Income Fund		1,034,423	0.53%
67,658	Capricorn Gem Fund Inc		14,312,127	7.27%
106,392	Coatue Offshore Fund		19,003,216	9.66%
8,625	Cumulus Energy Fund Ltd		7,632,997	3.88%
56,833	Davidson Kempner International (BVI), Ltd		8,828,595	4.49%
804,758	Four European Long/Short Fund		8,186,645	4.16%
74,569	GLG Investments VI PLC - GLG European Equity		8,115,330	4.12%
9,597	Kepos Alpha Fund Ltd		11,240,875	5.71%
74,346	Maga Smaller Companies Fund Ltd		12,342,640	6.27%
11,857	Millennium International		20,158,632	10.24%
111,469	Omni Macro Fund Ltd		12,302,938	6.25%
502,664	P2 Strategies Global Fund		404,661	0.21%
25,295,109	Sanlam Fund of Alternative UCITS Fund		25,120,572	12.77%
55,091	Third Point Offshore Fund		19,956,857	10.14%
9,413	Visium Global Offshore Fund		11,811,397	6.00%
Total Class A: Collective Investment Schemes			180,451,905	91.70%
Designated Class A: Collective Investment Schemes - 0.35%				
8,868	Laurus Master Fund		21,780	0.01%
1,682	Harbinger Holdings Ltd		-	0.00%
751	Homeland Renewable Energy		-	0.00%
15,226	Millennium Global Emerging Credit Fund		-	0.00%
578	MKM Longboat M/S Fund		-	0.00%
43	MLO Private Investment Ltd.		58,925	0.03%
1	Raptor Global Portfolio Liquidating Trust		7,883	0.01%
3,020	Ritchie Energy, Ltd.		-	0.00%
44	Scoggin Overseas Fund		4,769	0.00%
1722	Valens Offshore Fund		127,370	0.06%
1,699	White Oak Strategic Fund, Ltd.		471,203	0.24%
21	White Oak Strategic SRV, Ltd.		386	0.00%
Total Designated Class A: Collective Investment Schemes			692,316	0.35%

PORTFOLIO OF INVESTMENTS OF SANLAM GLOBAL FUND OF HEDGE FUNDS

(CONTINUED)

as at 31 December 2014

Derivative financial instruments

Notional	Underlying	Maturity	Fair Value USD	% of Net Assets
Equity swaps - 0.11%				
3,500,000	Barclays Global TOM ER Index	10/09/2015	49,585	0.03%
13,000,000	S&P 500 Dynamic Vector	13/07/2017	165,930	0.08%
Total Equity swaps			215,515	0.11%
Total financial assets at fair value through profit or loss			181,359,736	92.16%
Equity swaps - (0.03)%				
6,000,000	Atlantic Dynamic HYIGS Barclays Credit Index	10/09/2015	(45,295)	(0.02%)
4,000,000	Barclays Capital TrensStar + Index	17/09/2015	(22,043)	(0.01%)
Total Equity swaps			(67,338)	(0.03%)
Total financial liabilities at fair value through profit or loss			(67,338)	(0.03%)
Cash and cash equivalents			15,811,583	8.03%
Other net assets and liabilities			(315,086)	(0.16%)
Net assets attributable to holders of redeemable participating shares			196,788,895	100.00%

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS

for the year ended 31 December 2014

1. General – The Company

Sanlam Qualifying Investors Funds Plc (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.

During the reporting period, the Company was authorised by the Central Bank of Ireland as a Qualifying Investor Alternative Investment Fund (“QIAIF”) in accordance with the Alternative Investment Fund Managers Directive (“AIFMD”). In order to comply with the requirements of AIFMD, the Company has appointed the Manager as the Alternative Investment Fund Manager (“AIFM”).

At 31 December 2014, the Company comprised six 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 2014
Sanlam Institutional Equity Flexible Fund	Active
Sanlam Centre Multi-Asset Real Return Feeder Fund (formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund)	Active
Sanlam Institutional Balanced Fund	Active
Sanlam Institutional Bond Fund	Active
Sanlam Credit Income Fund	Active
Sanlam Global Fund of Hedge Funds	Active-launched 1 September 2014

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 Centre Multi-Asset Real Return Feeder Fund (formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund) and the Sanlam Credit Income 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, the first business day of each month for the Sanlam Global Fund of Hedge Funds. A business day being any day other than Saturday or Sunday on which banks are open for business in Dublin. The valuation point is, except where otherwise clarified in the Prospectus, the close of business in each relevant market on the last Business Day of each month.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

1. General – The Company (continued)

Shares

Applications for Shares must be sent so as to arrive at the Registrar and Transfer Agent's office, as detailed below, no later than 4.00pm (Irish time) on the Business Day preceding the relevant Dealing Day or for the Sanlam Global Fund of Hedge Funds by 4.00pm (Irish time) five Business Days prior to 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 Registrar and Transfer Agent's office by post, by facsimile or telex by no later than 4.00pm on the Business Day preceding the relevant Dealing Day, or for the Sanlam Global Fund of Hedge Funds by 4.00pm thirty calendar days prior to the relevant Dealing Day. As at 31 December 2014, 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 Centre Multi-Asset Real Return Feeder Fund (formerly 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	A (USD)	30 November 2011
Sanlam Global Fund of Hedge Funds	A	1 September 2014

Minimum Subscription

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

Fund	Class A	Class A	Class B	Class C	Class E
	Class A	(USD)	Class B	Class C	Class E
	Shares	Shares	Shares	Shares	Shares
Sanlam Institutional Equity Flexible Fund	€1,000,000	-	€1,000,000	-	-
Sanlam Centre Multi-Asset Real Return Feeder Fund (formerly 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	-	€100,000	-	-	-
Sanlam Global Fund of Hedge Funds ¹	\$1,000,000	-	-	-	-

¹ The Sanlam Global Fund of Hedge Funds Designated Class A Shares are operated as a side pocket class which holds Designated Investments. They are not available for subscription and were issued to the holders of the Class A shares.

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.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
*for the year ended 31 December 2014***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 ("USD") and on a going concern basis.

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 Company'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 Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company 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 Company'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 27 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.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

2. Significant accounting policies (continued)

c) Income recognition (continued)

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.

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 categories of financial assets and financial liabilities at fair value through profit or loss comprise:

- 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 2014 and 2013, 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 2014

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

In accordance with IFRS 13, *Fair value measurement* ("IFRS 13"), 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 (OTC) market, are valued at their fair value as determined with care and in good faith by the AIFM in consultation with the relevant Investment Manager.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014**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.

Certain investments within the Sanlam Global Fund of Hedge Fund's portfolio have been deemed by the AIFM to be illiquid and not currently capable of being traded at fair market value. Such investments have been allocated to a side pocket represented by the Designated Class A Shares of the Fund. The value of the investment funds allocated to side pockets is adjusted as appropriate by the AIFM. This determination reflects the lack of liquidity. The determination by the AIFM is based on the AIFM's best estimate of the fair value of such assets determined in good faith using information derived from the respective fund administrators.

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 AIFM, consulting where appropriate with the Investment Manager.

OTC derivative instruments are valued at the settlement price as provided by the counterparty and verified by the AIFM on a monthly basis, or by a competent person appointed by the AIFM and approved for such a purpose by the Depositary. Such competent person 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.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014**2. Significant accounting policies (continued)****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.

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 changed its functional currency from South African Rand (ZAR) to USD. This did not represent a change in accounting policy of the Company since the presentation currency of the Company remained 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.

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.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

2. Significant accounting policies (continued)

i) Consolidation

The Company has determined that it is an investment entity in accordance with IFRS 10, *Consolidated Financial Statements* and *Investment Entities Amendments to IFRS 10, IFRS 12 and IAS 27*. 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 2014

There were no standards and amendments to existing standards effective 1 January 2014, relevant to the investment entities.

(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 2014, 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	1 January 2018

IFRS 9 Financial Instruments: Classification and Measurement ("IFRS 9")

IFRS 9, issued on 24 July 2014 is the IASB's replacement of IAS 39. IFRS 9 includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting.

The IASB completed its project to replace IAS 39 in phases, adding to the standard in each phase. The complete standard issued on 24 July 2014 includes requirements previously issued and additional amendments to incorporate a new expected loss impairment model and to introduce limited amendments to the classification and measurement requirements for financial assets. This version of IFRS 9 supersedes all previous versions and is mandatorily effective for periods beginning on or after 1 January 2018 with early adoption permitted (subject to local endorsement requirements). For a limited period, previous versions of IFRS 9 may be adopted early if not already done so provided the relevant date of initial application is before 1 February 2015.

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.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

2. Significant accounting policies (continued)

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

[IFRS 9 Financial Instruments: Classification and Measurement \("IFRS 9"\) \(continued\)](#)

IFRS 9 introduces a substantially-reformed model for hedge accounting with enhanced disclosures about risk management activity.

As part of IFRS 9, the IASB has introduced a new, expected loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new standard requires entities to account for expected credit losses from when financial instruments are first recognised and it lowers the threshold for recognition of full lifetime expected losses.

The Directors are currently assessing the impact of the amendment on the financial statements of the Company.

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 2014

4. Share Capital (continued)

Redeemable Participating Shares (continued)

The following share classes were in issue at 31 December 2014:

Fund	Class A	Designated Class A ¹	Class A (USD)	Class B	Class C	Class E
Sanlam Institutional Equity Flexible Fund	✓	-	-	✓	-	-
Sanlam Centre Multi-Asset Real Return Feeder Fund (formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder)	✓	-	-	-	-	-
Sanlam Institutional Balanced Fund	✓	-	-	-	✓	-
Sanlam Institutional Bond Fund	✓	-	-	-	✓	✓
Sanlam Credit Income Fund	-	-	✓	-	-	-
Sanlam Global Fund of Hedge Funds	✓	✓	-	-	-	-

¹ The Sanlam Global Fund of Hedge Funds Designated Class A Shares are operated as a side pocket class which holds Designated Investments. The shares were issued to the holders of the Class A shares and have restricted redemption terms.

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 2014:

Sanlam Institutional Equity Flexible Fund	Class A Shares	Class B Shares
Opening shares issued	195,050,034	13,536,726
Shares issued during the year	4,446,723	602,702
Shares redeemed during the year	(18,308,267)	(3,392,612)
Closing shares issued	181,188,490	10,746,816

	Class A USD	Class B USD
Subscriptions during the year	5,168,250	742,003
Redemptions during the year	(21,163,722)	(4,132,504)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

4. Share Capital (continued)

Sanlam Centre Multi-Asset Real Return Feeder Fund (formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund)	Class A Shares		
Opening shares issued	56,330,852		
Shares issued during the year	-		
Shares redeemed during the year	-		
Closing shares issued	56,330,852		
	Class A USD		
Subscriptions during the year	-		
Redemptions during the year	-		
	Class A Shares	Class C Shares	
Sanlam Institutional Balanced Fund			
Opening shares issued	323,503,326	15,851,573	
Shares issued during the year	1,053,889	119,918	
Shares redeemed during the year	(59,683,765)	(1,190,386)	
Closing shares issued	264,873,450	14,781,105	
	Class A USD	Class C USD	
Subscriptions during the year	1,024,935	115,911	
Redemptions during the year	(57,905,258)	(1,172,368)	
	Class A Shares	Class C Shares	Class E Shares
Sanlam Institutional Bond Fund			
Opening shares issued	11,807,780	683,485	10
Shares issued during the year	377,186	116,758	-
Shares redeemed during the year	(741,634)	(425,567)	-
Closing shares issued	11,443,332	374,676	10
	Class A USD	Class C USD	Class E USD
Subscriptions during the year	4,162,848	1,291,976	-
Redemptions during the year	(8,048,359)	(4,630,036)	-

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

4. Share Capital (continued)

Sanlam Credit Income Fund	Class A (USD) Shares	
Opening shares issued	141,196	
Shares issued during the year	2,756,408	
Shares redeemed during the year	(128,391)	
Closing shares issued	2,769,213	
	Class A (USD) USD	
Subscriptions during the year	423,722,523	
Redemptions during the year	(19,748,348)	
	Class A Shares¹	
Sanlam Global Fund of Hedge Funds	Class A Shares¹	Designated Class A Shares
Opening shares issued	-	-
Shares issued during the period	956,878	590
Shares redeemed during the period	(26,354)	
Closing shares issued	930,524	590
	Class A USD	
Subscriptions during the period	224,915,401	1,723,980
Redemptions during the period	(30,925,723)	-

¹ the Class A shares are represented by different series of shares. The above reconciliation represents the consolidation of those series of shares.

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 2014

4. Share Capital (continued)

Sanlam Centre Multi-Asset Real Return Feeder Fund¹	Class A Shares
Opening shares issued	56,330,852
Shares issued during the year	-
Shares redeemed during the year	-
Closing shares issued	<u>56,330,852</u>

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

¹ formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund

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	<u>323,503,326</u>	<u>15,851,573</u>

	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	<u>11,807,780</u>	<u>683,485</u>	<u>10</u>

	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 2014

4. Share Capital (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 USD
Subscriptions during the year	-	-
Redemptions during the year	(163)	(22,093,674)

Sanlam Credit Income 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) USD
Subscriptions during the year	26,985,415
Redemptions during the year	(27,845,530)

5. Investments in subsidiaries

At 31 December 2014, 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)	63.23%
Sanlam Equity Allocation Fund	Ireland	Global	95.39%
Sanlam UK Equity Tracker Fund	Ireland	United Kingdom	50.88%

Sanlam Centre Multi-Asset Real Return Feeder Fund (formerly 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	99.71%

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

5. Investments in subsidiaries (continued)

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 Centre Multi-Asset Real Return Feeder Fund (formerly 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%

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

	Sanlam Institutional Equity Flexible Fund 31/12/2014 USD	Sanlam Centre Multi-Asset Real Return Feeder Fund ¹ 31/12/2014 USD	Sanlam Institutional Balanced Fund 31/12/2014 USD
Realised gains	10,654,248	-	8,208,299
Realised losses	(4,686,580)	-	(2,506,913)
Change in unrealised gains	13,537,188	-	32,320,652
Change in unrealised losses	(23,284,498)	(1,432,515)	(6,229,460)
Foreign currency gain/(loss)	(9,394)	(3)	(126,984)
Total gains/(losses)	(3,789,036)	(1,432,518)	31,665,594

¹ formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

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

	Sanlam Institutional Bond Fund 31/12/2014 USD	Sanlam Credit Income Fund 31/12/2014 USD	Sanlam Global Fund of Hedge Funds 31/12/2014 USD
Realised gains	698,852	-	533,555
Realised losses	-	-	(990,012)
Change in unrealised gains	215,960	-	4,966,749
Change in unrealised losses	-	(904,569)	(2,758,215)
Foreign currency gain/(loss)	3	(15,064)	(13)
Total gains/(losses)	914,815	(919,633)	1,752,064

	Sanlam Institutional Equity Flexible Fund 31/12/2013 USD	Sanlam Centre Multi-Asset Real Return Feeder Fund¹ 31/12/2013 USD	Sanlam Institutional Balanced Fund 31/12/2013 USD
Realised gains	22,664,773	-	4,892,826
Realised losses	(21,548,707)	-	(20,028,119)
Change in unrealised gains	46,290,315	2,170,597	40,322,827
Change in unrealised losses	(8,711,810)	-	(13,568,936)
Foreign currency gain/(loss)	72,813	-	(182,393)
Total gains/(losses)	38,767,384	2,170,597	11,436,205

¹ formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund

	Sanlam Institutional Bond Fund 31/12/2013 USD	Sanlam Global Corporate Bond Fund 31/12/2013 USD	Sanlam Credit Income Fund 31/12/2013 USD
Realised gains	1,494,684	2,111,162	976,823
Realised losses	-	(2,926,549)	(21,018)
Change in unrealised gains	-	-	1,471
Change in unrealised losses	(3,536,634)	-	(18,578)
Foreign currency gain/(loss)	-	-	-
Total gains/(losses)	(2,041,950)	(815,387)	938,698

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

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

	Sanlam Institutional Equity Flexible Fund 31/12/2014 USD	Sanlam Centre Multi-Asset Real Return Feeder Fund ¹ 31/12/2014 USD	Sanlam Institutional Balanced Fund 31/12/2014 USD	Sanlam Institutional Bond Fund 31/12/2014 USD
Financial assets at fair value through profit or loss				
Held for trading:				
Equity	-	-	300,129,318	-
Collective investment schemes	217,449,900	58,173,761	-	123,418,118
Total financial assets at fair value through profit or loss	217,449,900	58,173,761	300,129,318	123,418,118

¹ formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund

	Sanlam Credit Income Fund 31/12/2014 USD	Sanlam Global Fund of Hedge Funds 31/12/2014 USD
Financial assets at fair value through profit or loss		
Held for trading:		
Equity linked notes	13,636,601	-
Equity swaps	-	215,516
Option contracts	7,980	-
Collective investment schemes	-	181,144,220
Total financial assets at fair value through profit or loss	13,644,581	181,359,736

	Sanlam Institutional Equity Flexible Fund 31/12/2013 USD	Sanlam Centre Multi-Asset Real Return Feeder Fund ¹ 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

¹ formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

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

The following table shows financial liabilities measured at fair value through profit or loss at 31 December 2014:

	Sanlam Global Fund of Hedge Funds 31/12/2014 USD
Held for trading:	
Equity swaps	(67,338)
Total financial liabilities at fair value through profit or loss	(67,338)

No Fund held financial liabilities measured at fair value through profit or loss as at 31 December 2013.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

8. Fair value of financial instruments

The AIFM is responsible for ensuring that proper and independent valuation of the assets of the Company can be performed. The financial instruments held by each Fund are valued in accordance with the valuation policy of the AIFM.

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

The following tables analyse, within the fair value hierarchy, the financial assets of the Funds' measured at fair value through profit or loss at 31 December 2014:

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
Sanlam Institutional Equity Flexible Fund				
Collective Investment Schemes	217,449,900	-	-	217,449,900
Total financial assets at fair value through profit or loss	217,449,900	-	-	217,449,900

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
Sanlam Centre Multi-Asset Real Return Feeder Fund				
Collective Investment Schemes	-	58,173,761	-	58,173,761
Total financial assets at fair value through profit or loss	-	58,173,761	-	58,173,761

¹ formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
Sanlam Institutional Balanced Fund				
Listed Equity	300,129,318	-	-	300,129,318
Total financial assets at fair value through profit or loss	300,129,318	-	-	300,129,318

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
Sanlam Institutional Bond Fund				
Collective Investment Schemes	123,418,118	-	-	123,418,118
Total financial assets at fair value through profit or loss	123,418,118	-	-	123,418,118

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

8. Fair value of financial instruments (continued)

Assets measured at fair value (continued)

Sanlam Credit Income Fund	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Equity linked notes	-	13,636,601	-	13,636,601
Option contracts	-	7,980	-	7,980
Total financial assets at fair value through profit or loss	-	13,644,581	-	13,644,581

Sanlam Global Fund of Hedge Funds	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Collective Investment Schemes	-	180,451,905	692,316	181,144,221
Equity Swaps	-	215,515	-	215,515
Total financial assets at fair value through profit or loss	-	180,667,420	692,316	181,359,736

The following tables analyse, within the fair value hierarchy, the financial assets of the Funds' measured at fair value through profit or loss at 31 December 2013:

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

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

¹ formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund

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

Sanlam Institutional Bond Fund	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Collective Investment Schemes	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 2014

8. Fair value of financial instruments (continued)

Liabilities measured at fair value

The following table analyses within the fair value hierarchy, the Funds' financial liabilities at fair value through profit or loss at 31 December 2014:

Sanlam Global Fund of Hedge Funds	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Equity Swaps	-	(67,338)	-	(67,338)
Total financial liabilities at fair value through profit or loss	-	(67,338)	-	(67,338)

No Fund held financial liabilities at fair value through profit or loss as at 31 December 2013.

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 AIFM 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 relative 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, collective investment schemes, equity linked notes and over-the-counter derivatives such as options and equity swaps. 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.

Level 3 investments

Valuation process

The Sanlam Global Fund of Funds portfolio includes investment in collective investment schemes which are not quoted in an active market and which may be subject to restrictions on redemptions such as lock up periods, redemption gates and side pockets. Transactions in the shares of such collective investment schemes do not occur on a regular basis. Investments in those collective investment schemes are valued based on the NAV per share published by the administrator of those collective investment schemes. Such a NAV is adjusted when necessary, to reflect the effect of the time passed since the calculation date, liquidity risk, limitations on redemptions and other factors. Depending on the fair value level of an underlying fund's assets and liabilities and on the adjustments needed to the NAV per share published by that collective investment schemes, the AIFM classifies the fair value of that investment as either level 2 or level 3.

Where an adjustment has been made to the NAV as provided to account for liquidity concerns e.g. redemption restrictions, side pockets etc., the investments in these collective investment schemes are included in level 3 of the fair value hierarchy, since the adjustments are partly based on unobservable inputs. At 31 December 2014, adjustments have been made to the NAV as provided and such investments were categorised within level 3 of the fair value hierarchy.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

8. Fair value of financial instruments (continued)

Level 3 investments (continued)

Valuation process (continued)

The level 3 valuations of the Designated Class A collective investment schemes are reviewed on a quarterly basis by the AIFM, who reports to the Board of Directors and all other relevant parties on a regular basis. In selecting the most appropriate valuation model, AIFM considers the most recent unaudited NAV per share obtained from the underlying administrators. The AIFM also considers liquidity and other factors such as distributions received and secondary market sales. Each investment is individually reviewed on a quarterly basis.

Reconciliation

The following tables show a reconciliation of all movements in the fair value of financial instruments categorised within Level 3: between 1 January and 31 December 2014.

Sanlam Global Fund of Hedge Funds	Investment in collective investment schemes	
	2014	2013¹
Balance as at 1 January	-	-
Realised gains/(losses)	459,035	-
Change in unrealised	(355,971)	-
Gross Purchases	1,119,997	-
Gross Sales	(530,745)	-
Transfers in and out of level 3	-	-
Balance as at 31 December	<u>692,316</u>	<u>-</u>
Total unrealised losses for the year included in profit or loss for level 3 assets held at year end	(355,971)	-

¹ Sanlam Global Fund of Hedge Funds was transferred to Sanlam Qualifying Investors Funds Plc during the year ended 31 December 2014 as such there is no comparative.

Quantitative information of significant unobservable inputs - level 3

The following table discloses the quantitative information regarding the significant unobservable inputs used in measuring the Fund's financial instruments, categorised as level 3 in the fair value hierarchy as at 31 December 2014.

Description	2014 USD	Valuation technique	Unobservable Input
Collective investment schemes	59,924	Unadjusted NAV	N/A*
Collective investment schemes	632,391	Adjusted NAV	0%-100% discount for lack of liquidity (see table overleaf)

*These collective investment schemes are included in level 3 of the fair value hierarchy as they are subject to lock-ups, gates or suspended redemptions. These investment funds are priced in line with the valuation policy for level 2 investments and are not adjusted using a valuation technique.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

8. Fair value of financial instruments (continued)

Level 3 investments (continued)

Sensitivity analysis to significant changes in unobservable inputs within level 3 hierarchy

The significant unobservable inputs used in the fair value measurements categorised within level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 December 2014 is shown below:

Description	Input	Sensitivity used	Effect on fair value in USD
Collective investment schemes	Discount for lack of liquidity	5% increase	31,619
Collective investment schemes	Discount for lack of liquidity	5% decrease	(31,619)

Significant increases/(decreases) in the discount in isolation would result in a significantly (lower)/higher fair value measurement.

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 2014 and 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.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

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 2014, one Fund held derivative financial instruments that were subject to an enforceable master netting arrangement or similar agreement.

The following tables provide information on the financial impact of netting for instruments subject to an enforceable master netting arrangement or similar agreement at 31 December 2014.

Sanlam Global Fund of Hedge Funds – 31 December 2014

	Gross amount of recognised financial assets/ liabilities USD	Gross amount of recognised financial liabilities/ assets set off in the statement of financial position USD	Amounts of financial assets/ liabilities presented in the statement of financial USD
Derivative financial assets			
Equity swaps	215,515	-	215,515
Other financial assets at fair value through profit or loss	181,144,221	-	181,144,221
Total financial assets at fair value through profit or loss	181,359,736	-	181,359,736
Derivative financial liabilities			
Equity swaps	(67,338)	-	(67,338)
Total financial liabilities at fair value through profit or loss	(67,338)	-	(67,338)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

10. Offsetting financial assets and liabilities (continued)

	Amounts of financial assets/liabilities presented in the statement of financial position USD	Related amounts not set off in the statement of financial position		Net amount USD
		Financial instruments	Cash collateral	
		USD	USD	
Derivative financial assets				
Equity swaps	215,515	(67,338)	-	148,177
Other financial assets at fair through profit or loss	181,144,221	-	-	181,144,221
Total financial assets at fair through profit or loss	181,359,736	(67,338)	-	181,292,398
Derivative financial				
Equity swaps	(67,338)	67,338	-	-
Total financial liabilities at value through profit or loss	(67,338)	67,338	-	-

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

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

11. Exchange rates

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

USD =	31/12/2014	31/12/2013
AUD	1.2238	-
CHF	0.9836	0.8905
EUR	0.8264	0.7264
GBP	0.6417	0.6065
ZAR	11.5462	10.5290

12. Related party transactions and significant agreements

Directors' interests

The Directors had no interest in the shares of the Company or Funds at 31 December 2014 or at any time during the financial year.

Significant Agreements

Manager

Pursuant to the Amended and Restated Management and Administration Agreement effective 29 August 2014, SAMI acts as both Manager and Administrator to the Company. SAMI is an ultimate subsidiary Company of Sanlam Limited. On 29 August 2014, the Manager was authorised as AIFM by the Central Bank of Ireland under the AIFMD. 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 A Designated	Class B
Sanlam Institutional Equity Flexible Fund	0.75%	-	-	0.85%
Sanlam Centre Multi-Asset Real Return Feeder Fund (formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund)	0.15%	-	-	-
Sanlam Institutional Balanced Fund	0.75%	-	-	0.60%
Sanlam Institutional Bond Fund	0.75%	-	-	0.60%
Sanlam Credit Income Fund	-	0.20%	-	-
Sanlam Global Fund of Hedge Funds	0.78%	-	-	-

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

12. Related party transactions and significant agreements (continued)

Manager (continued)

Fund	Class C	Class D	Class E
Sanlam Institutional Equity Flexible Fund	-	1.00%	-
Sanlam Centre Multi-Asset Real Return Feeder Fund (formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund)	-	-	-
Sanlam Institutional Balanced Fund	0.85%	1.00%	-
Sanlam Institutional Bond Fund	0.85%	-	-
Sanlam Credit Income Fund	-	-	-
Sanlam Global Fund of Hedge Funds	-	-	-

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 ranging from 0.025 – 0.08% of the net assets of the Fund, plus an annual fee up to a maximum of 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.

The fees earned by the Administrator during the period and outstanding accrued fees as at 31 December 2014 are presented in the statement of comprehensive income and statement of financial position respectively.

Performance Fee - Sanlam Global Fund of Hedge Funds

For certain share classes of the Sanlam Global Fund of Hedge Funds, the Manager is also entitled to receive out of the assets of the Fund's a performance fee in respect of each performance period. Details of the performance fee applicable are set out in the offering supplement. There were no performance fees charged during the period.

Depositary

With effect from 1 September 2014, Brown Brothers Harriman Trustee Services (Ireland) Limited was appointed Depositary to the Funds, replacing Northern Trust Fiduciary Services (Ireland) Limited, the Custodian prior to that date.

The Depositary is not a related party to the Company. The Depositary is entitled to receive out of the assets of the Fund an annual fee (inclusive of sub-custody fee, which are charged at normal commercial rates) which will not exceed 0.03% of the net assets of the Funds (plus VAT, if any) together with reasonable costs and expenses incurred by the Depositary in the performance of its duties as Depositary of the Fund. These fees are accrued and calculated on each dealing day and are payable monthly in arrears. The Depositary is also entitled to be reimbursed, at normal commercial rates, for its reasonable costs and expenses (and that of any sub-custodian) incurred in the performance of its duties.

Stock lending

With effect from 1 September 2014, Brown Brothers Harriman & Co. replaced J.P. Morgan Chase Bank (London Branch) as Stock Lending Agent to the Company. The Stock Lending Agent receives remuneration for services provided as part of the Company's stock lending arrangements, the terms of which are set out in the Stock Lending Agreement between the Company and the Stock lending Agent. Further details are disclosed in note 15. Neither the current or previous Stock Lending Agent is a related party to the Company.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

12. Related party transactions and significant agreements (continued)

Stock lending (continued)

As a party to the stock lending arrangements SAMI is also entitled to remuneration for services provided. For the year ended 31 December 2014, SAMI received USD 187,413 with respect to the stock lending activity of the Sanlam Institutional Equity Flexible Fund and USD 207,477 with to the stock lending activity of the Sanlam Institutional Balanced Fund.

Further details on the Company's stock lending activity are disclosed in note 15.

Registrar and Transfer Agent

With effect from 1 September 2014, Brown Brothers Harriman Fund Administration Services (Ireland) Limited replaced J.P. Morgan Administration Services (Ireland) Limited as the appointed Registrar & Transfer Agent. Transfer agency fees are charged at normal commercial rates. Brown Brothers Harriman Fund Administration Services (Ireland) Limited is not a related party of the Company.

Significant shareholders

Significant shareholders at year end 31 December 2014:

Shareholders	Fund	% held
Sanlam Life Insurance Ltd	Sanlam Institutional Equity Flexible Fund	90.26%
Sanlam Life Insurance Ltd	Sanlam Centre Multi-Asset Real Return Feeder Fund (formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund)	100.00%
Sanlam Life Insurance Ltd	Sanlam Institutional Balanced Fund	90.27%
Sanlam Life Insurance (Jersey) Ltd	Sanlam Institutional Bond Fund	24.26%
Sanlam Life Insurance Ltd	Sanlam Institutional Bond Fund	71.88%
Sanlam Investment Management for Sanlam	Sanlam Credit Income Fund	99.54%
Sanlam Life Insurance Ltd	Sanlam Global Fund of Hedge Funds	99.84%

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 Centre Multi-Asset Real Return Feeder Fund (formerly 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	100.00%

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

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 2014 follows:

	Sanlam Institutional Equity Flexible Fund Year ended 31/12/2014 USD	Sanlam Centre Multi- Asset Real Return Feeder Fund ¹ Year ended 31/12/2014 USD	Sanlam Institutional Balanced Fund Year ended 31/12/2014 USD
Fees incurred during the year			
Class A Management Fees	(1,685,229)	(88,784)	(2,294,776)
Class B Management Fees	(122,055)	-	-
Class C Management Fees	-	-	(139,708)
	(1,807,284)	(88,784)	(2,434,484)
Fees accrued at 31/12/2014			
Class A Management Fees	(132,724)	(7,403)	(185,533)
Class B Management Fees	(9,277)	-	-
Class C Management Fees	-	-	(11,689)
	(142,001)	(7,403)	(197,222)

¹ formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund

	Sanlam Institutional Bond Fund Year ended 31/12/2014 USD	Sanlam Credit Income Fund Year ended 31/12/2014 USD	Sanlam Global Fund of Hedge Funds Year ended 31/12/2014 USD
Fees incurred during the year			
Class A Management Fees	(924,147)	(10,597)	(540,352)
Class C Management Fees	(33,774)	-	-
	(957,921)	(10,597)	(540,352)
Fees accrued at 31/12/2014			
Class A Management Fees	(76,392)	(2,113)	(838,776)
Class C Management Fees	(2,878)	-	-
	(79,270)	(2,113)	(838,776)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

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 2013 follows:

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

¹ formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

12. Related party transactions and significant agreements (continued)

Management Fees (continued)

	Sanlam Institutional Bond Fund Year ended 31/12/2013 USD	Sanlam Credit Income Fund Year ended 31/12/2013 USD
Fees incurred during the year		
Class A Management Fees Class A (USD) Management Fees	(857,860)	-
Class B Management Fees	-	(14,222)
Class C Management Fees	(54,429)	-
	(912,289)	(14,222)
Fees accrued at 31/12/2013		
Class A Management Fees Class A (USD) Management Fees	(83,909)	-
Class B Management Fees	-	(1,719)
Class C Management Fees	-	-
Class D Management Fees	-	-
	(83,909)	(1,719)

Related Transactions

The following transactions occurred within Sanlam Limited (the "Group") during the year ended 31 December 2014:

	Sanlam Institutional Equity Flexible Fund Year ended 31/12/2014 USD	Sanlam Institutional Bond Fund Year ended 31/12/2014 USD	Sanlam Global Fund of Hedge Funds Year ended 31/12/2014 USD
Purchases:			
Sanlam Equity Allocation Fund	66,900,000	-	-
Sanlam Europe (ex UK) Equity Tracker Fund	29,700,000	-	-
Sanlam UK Equity Tracker Fund	12,200,000	-	-
Sanlam Global Bond Fund	-	4,522,200	-
Sanlam Fund of Alternative UCITS	-	-	492,454
Total purchases	108,800,000	4,522,200	492,454

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

12. Related party transactions and significant agreements (continued)

Related Transactions (continued)

	Sanlam Institutional Equity Flexible Fund Year ended 31/12/2014 USD	Sanlam Institutional Bond Fund Year ended 31/12/2014 USD	Sanlam Global Fund of Hedge Funds Year ended 31/12/2014 USD
Sales:			
Sanlam Equity Allocation Fund	5,965,590	-	-
Sanlam Europe (ex UK) Equity Tracker Fund	6,529,120	-	-
Sanlam UK Equity Tracker Fund	3,433,520	-	-
Sanlam Global Bond Fund	-	12,469,950	-
PS Strategies Europe (ex UK) Fund	-	-	7,899,143
PS Strategies Europe (ex UK) Fund	-	-	7,789,539
PS Strategies Europe (ex UK) Fund	-	-	5,162,926
Sanlam Fund of Alternative UCITS	-	-	492,454
Total purchases	15,928,230	12,469,950	21,344,062

The following transactions occurred within Sanlam Limited (the "Group") 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

	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 in specie transfers occurred during the year ended 31 December 2014:

The final net asset value calculation for Sanlam Global Fund of Hedge Funds, a sub-fund within Sanlam Global Fund of Hedge Funds Plc, was calculated at 29 August 2014. All investments were transferred to the Sanlam Global Fund of Hedge Funds, a sub-fund within Sanlam Qualifying Investors Funds Plc, on 1 September 2014 by way of an in-specie subscription.

Subscriptions include in specie transfers from Sanlam Life Insurance Limited during the year, in exchange for assets with a fair value at date of transfer of USD 14,549,149.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014**12. Related party transactions and significant agreements (continued)****Related Transactions (continued)**

The following in specie transfers occurred during the year ended 31 December 2013:

Transfers 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.

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.

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 other derivative contracts such as futures, options and swaps for efficient portfolio management. The primary purposes for which the Funds use these instruments 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 derivatives 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.

14. Soft commissions

The Funds did not enter into any soft commission arrangements during the years ended 31 December 2014 and 2013.

15. Stock lending activities

Before 1 September 2014, stock lending activities were conducted through J.P. Morgan Chase Bank (London Branch) in accordance with the terms of the Stock Lending Agreement, dated 12 March 2004, between the Company, the Manager and J.P. Morgan Chase Bank (London Branch).

With effect from 1 September 2014, Brown Brothers Harriman & Co. replaced J.P. Morgan Chase Bank (London Branch) as the stock lending agent to the Company pursuant to the Securities Lending Agency Agreement dated 29 August 2014. 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 had the substance of a loan of the Company's securities in return for collateral. The collateral held was in a form required by the Central Bank of Ireland.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

15. Stock lending activities (continued)

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 2014:

	Sanlam Institutional Equity Flexible Fund Year ended 31/12/2014 USD
Income	304,732

	Sanlam Institutional Equity Flexible Fund Year ended 31/12/2014 USD
Aggregate value of securities on loan at the year end	-
Aggregate value of collateral held in respect of the loans	-
Collateral %	-

	Sanlam Institutional Balanced Fund Year ended 31/12/2014 USD
Income	200,455

	Sanlam Institutional Balanced Fund Year ended 31/12/2014 USD
Aggregate value of securities on loan at the year end	-
Aggregate value of collateral held in respect of the loans	-
Collateral %	-

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

15. Stock lending activities (continued)

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

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

	Sanlam Institutional Equity Flexible 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
Income	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%

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 2014

17. Underlying collective investment schemes

The table below and overleaf summarises the funds in which the Funds of the Company hold investments and details the investment management fees and incentive fees incurred:

Year ended 31 December 2014	Type of fund	Investment Management Fees (%)¹	Incentive Fees (%)²
Alphabridge Fixed Income Fund	Bermudan OEIC	2.00%	20.00%
Capricorn Gem Fund Inc	Cayman OEIC	2.00%	20.00%
Coatue Offshore Fund	Cayman OEIC	2.50%	22.50%
Cumulus Energy Fund Ltd	Cayman OEIC	2.00%	20.00%
Drexel Hamilton Multi-Asset Real Return Feeder Fund	Delaware Trust	0.55%	-
Davidson Kempner International (BVI), Ltd	BVI OEIC	1.50%	20.00%
Four European Long/Short Fund	Irish UCITS	1.50%	-
GLG Investments VI PLC - GLG European Equity	Irish UCITS	2.00%	20.00%
Kepos Alpha Fund Ltd	Cayman OEIC	2.00%	20.00%
Laurus Master Fund	Cayman OEIC	NA ³	NA ³
Maga Smaller Companies Fund Ltd	Cayman OEIC	1.50%	20.00%
Millennium International	Cayman OEIC	-	20.00%
MLO Private Investment Ltd	Cayman OEIC	NA ³	NA ³
Omni Macro Fund Ltd	Cayman OEIC	2.00%	20.00%
P2 Strategies Global Fund	Irish UCITS	-	-
Raptor Global Portfolio Liquidating Trust	Cayman Trust	NA ³	NA ³
Sanlam Fund of Alternative UCITS Fund	Irish UCITS	-	-
Sanlam Equity Allocation Fund	Irish UCITS	-	-
Sanlam UK Equity Tracker Fund	Irish UCITS	-	-
Sanlam Global Bond Fund	Irish UCITS	-	-
Sanlam Europe (ex UK) Equity Tracker Fund	Irish UCITS	-	-
Scoggin Overseas Fund	Cayman OEIC	NA ³	NA ³
Third Point Offshore Fund	Cayman OEIC	2.00%	20.00%
Valens Offshore Fund	Cayman OEIC	NA ³	NA ³
Visium Global Offshore Fund	Cayman OEIC	2.00%	20.00%
White Oak Strategic Fund, Ltd.	Cayman OEIC	NA ³	NA ³
White Oak Strategic SRV, Ltd	Cayman OEIC	NA ³	NA ³

¹ % of net assets

² % of the gains in net assets above the benchmark

³ these positions represent the Designated Investments of the Sanlam Global Fund of Hedge Funds. Information on the current fee levels of these Designated Investments has not been made available.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

17. Underlying collective investment schemes (continued)

Year ended 31 December 2013	Type of fund	Investment Management Fees (%)¹	Incentive Fees (%)²
Sanlam Europe (ex UK) Equity Tracker Fund	Irish UCITS	-	-
Sanlam Equity Allocation Fund	Irish UCITS	-	-
Sanlam UK Equity Tracker Fund	Irish UCITS	-	-
Sanlam Global Bond Fund	Irish UCITS	-	-
Sanlam Europe (ex UK) Equity Tracker Fund	Irish UCITS	-	-
Drexel Hamilton Multi-Asset Real Return Feeder Fund	Delaware Trust	0.55%	-

¹ % of net assets

² % of the gains in net assets above the benchmark

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 AIFM has a documented risk management policy comprising such procedures as are necessary to enable the AIFM to assess for each Fund the exposure to relevant risks. 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. Information on other additional risks, which would not be assessed as significant to the Funds, is also set out below.

The AIFM has delegated discretionary portfolio management functions to the Investment Allocation Manager or Investment Manager appointed to each Fund (as applicable). The Investment Allocation Manager or Investment Manager (as applicable) manages the asset allocations in order to achieve the investment objectives. Divergence from target asset allocations and the composition of the portfolio is monitored by the Investment Allocation Manager/Investment Manager.

An Investment Manager is approved for each Fund subject to such Investment Manager meeting the delegation criteria as set out in the AIFM's Outsourcing Policy (which incorporates the requirements of Articles 75 - 82 of AIFMD Level 2). The AIFM will exercise due skill, care and diligence in the selection of and the entering into, managing or terminating of any delegation arrangement with an Investment Manager appointed to a Fund of the Company. The Investment Manager is provided with an Investment Management Agreement which includes a detailed set of guidelines (for single Investment Manager Funds) regarding the parameters within which a Fund must be managed. These guidelines will include items such as maximum exposure to a single issuer, tracking error limits and the relevant AIF Rulebook Requirements. 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.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
*for the year ended 31 December 2014***18. Risk arising from financial instruments (continued)**

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.

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 Depositary 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 used to monitor market risk are described below.

Investment reports, detailing the performance of the Funds are considered by the Board of Directors of the AIFM and of the Company 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 AIFM 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 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, the Investment Management Agreement and guidelines, where applicable.

The tables overleaf 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 2014

18. Risk arising from financial instruments (continued)

(i) Market Risk (continued)

(a) Currency Risk (continued)

Sanlam Institutional Equity Flexible Fund

At 31 December 2014, Sanlam Institutional Equity Flexible Fund did not have an exposure to foreign currency risk arising from its investments.

	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

Sanlam Centre Multi-Asset Real Return Feeder Fund (formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund)

At 31 December 2014 and 2013, Sanlam Centre Multi-Asset Real Return Feeder Fund did not have an exposure to foreign currency risk arising from its investments.

Sanlam Institutional Balanced Fund

	31 December 2014 USD	% movement	Effect of movement against Net Assets and Profit* 31 December 2014 USD	Concentration of foreign exchange exposure %
Australian Dollar	31,679,716	3.49	1,105,622	10.37
Euro	134,744,471	0.02	26,949	44.12
Pound Sterling	35,864,846	(2.57)	(921,727)	11.74
Swiss Franc	32,159,006	(0.65)	(209,034)	10.53
Total	234,448,039		1,810	76.76

	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 2014

18. Risk arising from financial instruments (continued)

(i) Market Risk (continued)

(a) Currency Risk (continued)

Sanlam Institutional Bond Fund

At 31 December 2014 and 2013, Sanlam Institutional Bond Fund did not have an exposure to foreign currency risk arising from its investments.

Sanlam Credit Income Fund

	31 December 2014 USD	% movement	Effect of movement against Net Assets and Profit* 31 December 2014 USD	Concentration of foreign exchange exposure %
Euro	53,241	0.02	11	0.39
South African Rand	13,644,581	8.86	1,208,910	99.52
Total	13,697,822		1,208,921	99.91

	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.

Sanlam Global Fund of Hedge Funds

At 31 December 2014 Sanlam Global Fund of Hedge Fund did not have an exposure to foreign currency risk arising from its investments.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

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. 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 2014 and 31 December 2013 is as follows:

Interest Rate Characteristics	Total Exposure 2014 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD	Total Exposure 2013 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD
Floating rate financial assets	908,328	9,083	1,154,137	11,541
Total	908,328	9,083	1,154,137	11,541

**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 2014

18. Risk arising from financial instruments (continued)

(i) Market Risk (continued)

(b) Interest Rate Risk (continued)

Sanlam Centre Multi-Asset Real Return Feeder Fund (formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund)

The interest rate profile of the financial assets of the Sanlam Centre Multi-Asset Real Return Feeder Fund (formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund) as at 31 December 2014 and 31 December 2013 is as follows:

Interest Rate Characteristics	Total Exposure 2014 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD	Total Exposure 2013 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD
Floating rate financial assets	(456,507)	(4,565)	228,914	2,289
Total	(456,507)	(4,565)	228,914	2,289

*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 2014 and 31 December 2013 is as follows:

Interest Rate Characteristics	Total Exposure 2014 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD	Total Exposure 2013 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD
Floating rate financial assets	5,496,175	54,962	(557,028)	(5,570)
Total	5,496,175	54,962	(557,028)	(5,570)

*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 2014

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 2014 and 31 December 2013 is as follows:

Interest Rate Characteristics	Total Exposure 2014 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD	Total Exposure 2013 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD
Floating rate financial assets	95,302	953	270,304	2,703
Total	95,302	953	270,304	2,703

**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 Credit Income Fund

The interest rate profile of the financial assets of the Sanlam Credit Income Fund as at 31 December 2014 and 31 December 2013 is as follows:

Interest Rate Characteristics	Total Exposure 2014 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD	Total Exposure 2013 USD	Effect of 1.00% movement in interest rates on Net Asset and Profit* USD
Floating rate financial assets	66,726	667	833,014	8,330
Total	66,726	667	833,014	8,330

**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 2014

18. Risk arising from financial instruments (continued)

(i) Market Risk (continued)

(b) Interest Rate Risk (continued)

Sanlam Global Fund of Hedge Funds

The interest rate profile of the financial assets of the Sanlam Global Fund of Hedge Funds as at 31 December 2014 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*
	2014 USD	USD	2013 USD	USD
Floating rate financial assets	15,811,583	158,115	-	-
Total	15,811,583	158,115	-	-

*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 into 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 2014

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, the Fund supplement and the AIF Rulebook and other guidance of the Central Bank of Ireland. 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	Benchmark index	Total Effect*	Total Effect*
		annualised return 2014	annualised return 2013	31 December 2014	31 December 2013
		%	%	USD	USD
Sanlam Institutional Equity Flexible Fund	MSCI World	16.77	22.44	36,466,348	54,090,838
Sanlam Centre Multi-Asset Real Return Feeder Fund**	US CPI + 4% Composite benchmark (45% US/ 40% EU/ 15% GB)	4.68	4.59	2,722,532	2,664,549
Sanlam Institutional Balanced Fund	Barclays Capital Global Aggregate HRFI	(1.92)	(0.37)	(5,762,483)	(1,214,635)
Sanlam Institutional Bond Fund	Fund of Funds Composite Index	2.15	2.96	2,653,490	3,864,619
Sanlam Global Fund of Hedge Funds		3.10	n/a	5,620,064	n/a

*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.

** formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund.

At 31 December 2014 and 2013, Sanlam Credit Income Fund does not have a benchmark index.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

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 cannot 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 Registrar and Transfer Agent 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 2014

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 Funds' policy is to satisfy redemption requests by the following means:

1. Withdrawal of cash deposits
2. The Funds may borrow within the limits laid down by the Central Bank and in each Fund's 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 Funds invest primarily in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash.

Sanlam Global Fund of Hedge Funds invests primarily in unregulated underlying funds. These funds may have the ability to suspend redemptions from the fund. Investment funds may suspend redemption for a number of reasons, including, liquidity issues in the underlying portfolio and unsustainable redemptions requests from investors. Restrictions on redemptions through the use of pro-rata reductions to investors' redemption amounts due to a high level of overall investor redemption requests are commonly referred to as gates. Sanlam Global Fund of Hedge Fund's ability to withdraw monies from or invest monies in underlying funds with such restrictions will be limited and such restrictions will limit the Sanlam Global Fund of Hedge Fund's flexibility to reallocate such assets among underlying funds. Sanlam Global Fund of Hedge Funds may be affected by gates or redemption suspensions, applied by the managers of the underlying funds, which will affect its liquidity. To deal with such risks Sanlam Global Fund of Hedge Funds has allocated the affected underlying funds to a side pocket as represented by the Designated Class A shares.

The Funds' 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 Funds' 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 tables also analyse the maturity profile of the Funds' financial assets (undiscounted where appropriate) in order to provide a complete view of the Funds' contractual commitments and liquidity. Gross settled derivatives are calculated based on the spot price of the index.

For the avoidance of doubt, none of the assets of the Company are subject to special liquidity arrangements.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

18. Risk arising from financial instruments (continued)

(ii) Liquidity Risk (continued)

Sanlam Institutional Equity Flexible Fund 2014	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	908,328	-	-	-	908,328
Accrued Income	-	-	-	-	-
Financial assets at fair value through profit and loss	217,449,900	-	-	-	217,449,900
Other assets	-	29,896	-	-	29,896
Total Financial Assets	218,358,228	29,896	-	-	218,388,124
Other liabilities	-	(182,267)	-	-	(182,267)
Redeemable participating shares	(218,205,857)	-	-	-	(218,205,857)
Total Financial Liabilities	(218,205,857)	(182,267)	-	-	(218,388,124)
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)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

18. Risk arising from financial instruments (continued)

(ii) Liquidity Risk (continued)

Sanlam Centre Multi-Asset Real Return Feeder Fund ¹ 2014	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
Financial assets at fair value through profit and loss	58,173,761	-	-	-	58,173,761
Other assets	-	40,564	-	-	40,564
Total Financial Assets	58,173,761	40,564	-	-	58,214,325
Bank overdraft	(456,507)	-	-	-	(465,507)
Other liabilities	-	(22,960)	-	-	(22,960)
Redeemable participating shares	(57,734,858)	-	-	-	(57,734,858)
Total Financial Liabilities	(58,191,365)	(22,960)	-	-	(58,214,325)

¹formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund.

Sanlam Centre Multi-Asset Real Return Feeder Fund ¹ 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)

¹formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

18. Risk arising from financial instruments (continued)

(ii) Liquidity Risk (continued)

Sanlam Institutional Balanced Fund 2014	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	5,496,175	-	-	-	5,496,175
Financial assets at fair value through profit and loss	300,129,318	-	-	-	300,129,318
Other assets	-	35,726	-	-	35,726
Total Financial Assets	305,625,493	35,726	-	-	305,661,219
Other liabilities	-	(270,076)	-	-	(270,076)
Redeemable participating shares	(305,391,143)	-	-	-	(305,391,143)
Total Financial Liabilities	(305,391,143)	(270,076)	-	-	(305,661,219)

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)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

18. Risk arising from financial instruments (continued)

(ii) Liquidity Risk (continued)

Sanlam Institutional Bond Fund 2014	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	95,302	-	-	-	95,302
Financial assets at fair value through profit and loss	123,418,118	-	-	-	123,418,118
Other assets	-	24,665	-	-	24,665
Total Financial Assets	123,513,420	24,665	-	-	123,538,085
Other liabilities	-	(101,352)	-	-	(101,352)
Redeemable participating shares	(123,436,733)	-	-	-	(123,436,733)
Total Financial Liabilities	(123,436,733)	(101,352)	-	-	(123,538,085)

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)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

18. Risk arising from financial instruments (continued)

(ii) Liquidity Risk (continued)

Sanlam Credit Income Fund 2014	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	66,726	-	-	-	66,726
Financial assets at fair value through profit and loss	-	-	-	13,644,581	13,644,581
Other assets	-	10,257	-	-	10,257
Total Financial Assets	66,726	10,257	-	13,644,581	13,721,564
Other liabilities	-	(11,198)	-	-	(11,198)
Redeemable participating shares	(13,710,366)	-	-	-	(13,710,366)
Total Financial Liabilities	(13,710,366)	(11,198)	-	-	(13,721,564)

Sanlam Credit Income 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)

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

18. Risk arising from financial instruments (continued)

(ii) Liquidity Risk (continued)

Sanlam Global Fund of Hedge Funds 2014	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	15,811,583	-	-	-	15,811,583
Accrued income	492	-	-	-	492
Financial assets at fair value through profit and loss	181,144,221	-	49,585	165,930	181,359,736
Amounts receivable on issue of shares	1,052,988	-	-	-	1,052,988
Other assets	69,475	-	-	-	69,475
Total Financial Assets	198,078,759	-	49,585	165,930	198,294,274
Financial liabilities at fair value through profit and loss	-	-	(67,338)	-	(67,338)
Amounts payable on purchase of shares	(431,600)	-	-	-	(431,600)
Other liabilities	-	(1,006,441)	-	-	(1,006,441)
Redeemable participating shares	(196,788,895)	-	-	-	(196,788,895)
Total Financial Liabilities	(197,220,495)	(1,006,441)	(67,338)	-	(198,294,274)

(iii) Credit/Counterparty 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 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 AIF Rulebook and any breaches must be reported to the 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.

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

18. Risk arising from financial instruments (continued)

(iii) Credit/Counterparty Risk (continued)

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 repurchase agreements 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 Depositary 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 Depositary at a later date.

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

Counterparty	2014 Rating	2013 Rating
Brown Brothers Harriman Trustee Services (Ireland) Limited	A+	A+
Standard Bank	Baa1	Baa1
Barclays Bank	A	A
JP Morgan	A+	A+

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.

No positions are either past due or impaired.

The following tables outline the Fund's credit risk exposure arising from investments at 31 December 2014 and 31 December 2013:

	Collective Investment Schemes		Collective Investment Schemes	
	31 December 2014	Total 31 December 2014	31 December 2013	Total 31 December 2013
Sanlam Institutional Equity Flexible Fund	USD	USD	USD	USD
European Union	74,144,521	74,144,521	59,277,443	59,277,443
Great Britain	34,996,438	34,996,438	30,422,394	30,422,394
United States	108,308,941	108,308,941	58,541,279	58,541,279
Total	217,449,900	217,449,900	148,241,116	148,241,116

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

18. Risk arising from financial instruments (continued)

(iii) Credit/Counterparty Risk (continued)

	Collective Investment Schemes	Total	Collective Investment Schemes	Total
Sanlam Centre Multi- Asset Real Return Feeder Fund ¹	31 December 2014 USD	31 December 2014 USD	31 December 2013 USD	31 December 2013 USD
United States	58,173,761	58,173,761	57,998,630	57,998,630
Total	58,173,761	58,173,761	57,998,630	57,998,630

¹formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund.

	Collective Investment Schemes	Total	Collective Investment Schemes	Total
Sanlam Institutional Bond Fund	31 December 2014 USD	31 December 2014 USD	31 December 2013 USD	31 December 2013 USD
United States	123,418,118	123,418,118	130,451,055	130,451,055
Total	123,418,118	123,418,118	130,451,055	130,451,055

	Equity linked note	Derivatives	Total	Total
Sanlam Credit Income Fund	31 December 2014 USD	31 December 2014 USD	31 December 2014 USD	31 December 2013 USD
South Africa	13,636,601	7,980	13,644,581	-
Total	13,636,601	7,980	13,644,581	-

	Collective Investment Schemes	Derivatives	Total	Total
Sanlam Global Fund of Hedge Funds	31 December 2014 USD	31 December 2014 USD	31 December 2014 USD	31 December 2013 USD
Australia	404,662	-	404,662	-
Bermuda	1,034,423	-	1,034,423	-
Cayman Islands	36,211,615	-	36,211,615	-
Great Britain	8,186,645	-	8,186,645	-
Ireland	8,115,329	-	8,115,329	-
United States	127,191,547	215,515	127,407,062	-
Total	181,144,221	215,515	181,359,736	-

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
*for the year ended 31 December 2014***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 Funds' 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/Emerging 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 Centre Multi-Asset Real Return Feeder Fund (formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund), Sanlam Institutional Balanced Fund and Sanlam Institutional 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 2014

19. Net asset value per share

	Sanlam Institutional Equity Flexible Fund		
	Year Ended 31/12/2014	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class A			
Net Asset Value	USD205,531,111	USD225,668,804	USD263,029,287
Number of Shares in Issue	181,188,490	195,050,034	273,437,603
Net asset value per share for financial statement purposes	USD1.1343	USD1.1570	USD0.9619
Add: adjustment for withholding tax and dividend reinvestment	-	-	USD0.0020
Net asset value per share for shareholder dealing	USD1.1343	USD1.1570	USD0.9639

	Sanlam Institutional Equity Flexible Fund		
	Year Ended 31/12/2014	Year Ended 31/12/2013	Period Ended 31/12/2012
Share Class B			
Net Asset Value	USD12,674,745	USD16,300,188	USD17,436,485
Number of Shares in Issue	10,746,816	13,536,726	17,399,292
Net asset value per share for financial statement purposes	USD1.1794	USD1.2041	USD1.0021
Add: Valuation adjustment ¹	-	-	USD0.0021
Net asset value per share for shareholder dealing	USD1.1794	USD1.2041	USD1.0042

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

19. Net asset value per share (continued)

	Sanlam Centre Multi-Asset Real Return Feeder Fund¹		
	Year Ended 31/12/2014	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class A			
Net Asset Value	USD57,734,859	USD58,198,733	USD56,168,002
Number of Shares in Issue	56,330,852	56,330,852	56,330,852
Net asset value per share for financial statement purposes	USD1.0249	USD1.0332	USD0.9971
Add: adjustment for withholding tax	-	-	(USD0.0170)
Add: Valuation adjustment	-	-	(USD0.0008)
Net asset value per share for shareholder dealing	USD1.0249	USD1.0332	USD0.9793

¹formerly Sanlam Drexel Hamilton Multi-Asset Real Return Feeder Fund.

	Sanlam Institutional Balanced Fund		
	Year Ended 31/12/2014	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class A			
Net Asset Value	USD289,304,642	USD311,317,392	USD331,882,515
Number of Shares in Issue	264,873,450	323,503,326	366,088,501
Net asset value per share for financial statement purposes	USD1.0922	USD 0.9623	USD0.9066
Add: Valuation adjustment	-	-	USD0.0002
Net asset value per share for shareholder dealing	USD1.0922	USD 0.9623	USD0.9068

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

19. Net asset value per share (continued)

	Sanlam Institutional Balanced Fund		
	Year Ended 31/12/2014	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class C			
Net Asset Value	USD16,086,503	USD15,214,975	USD16,833,115
Number of Shares in Issue	14,781,105	15,851,573	18,597,737
Net asset value per share for financial statement purposes	USD1.0883	USD0.9598	USD0.9051
Add: Valuation adjustment	-	-	USD0.0003
Net asset value per share for shareholder dealing	USD1.0883	USD0.9598	USD0.9054

	Sanlam Institutional Bond Fund		
	Year Ended 31/12/2014	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class A			
Net Asset Value	USD119,537,378	USD123,426,830	USD111,557,535
Number of Shares in Issue	11,443,332	11,807,780	10,379,528
Net asset value per share for financial statement purposes	USD10.4460	USD10.4530	USD10.7478
Add: Valuation adjustment	-	-	USD0.0079
Net asset value per share for shareholder dealing	USD10.4460	USD10.4530	USD10.7557

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

19. Net asset value per share (continued)

	Sanlam Institutional Bond Fund		
	Year Ended 31/12/2014	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class C			
Net Asset Value	USD3,899,245	USD7,125,174	USD6,388,438
Number of Shares in Issue	374,676	683,485	595,415
Net asset value per share for financial statement purposes	USD10.4070	USD10.4248	USD10.7294
Add: Valuation adjustment	-	-	USD0.0078
Net asset value per share for shareholder dealing	USD10.4070	USD10.4248	USD10.7372
Share Class E			
Net Asset Value	USD110	USD109	USD111
Number of Shares in Issue	10	10	10
Net asset value per share for financial statement purposes	USD11.0383	USD10.9527	USD11.1661
Add: Valuation adjustment	-	-	USD0.0081
Net asset value per share for shareholder dealing	USD11.0383	USD10.9527	USD11.1742

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

19. Net asset value per share (continued)

	Sanlam Credit Income Fund		
	Year Ended 31/12/2014	Year Ended 31/12/2013	Year Ended 31/12/2012 (Restated)
Share Class A (USD)			
Net Asset Value	USD13,710,367	786,589	USD400,293
Number of Shares in Issue	2,769,213	141,196	61,646
Net asset value per share for financial statement purposes	USD4.951	USD5.5709	USD6.4934
Add: Valuation adjustment	-	-	-
Net asset value per share for shareholder dealing	USD 4.951	USD5.5709	USD6.4934

	Sanlam Global Fund of Hedge Funds		
	Year Ended 31/12/2014	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class A			
Net Asset Value	USD108,347,498	-	-
Number of Shares in Issue	84,818	-	-
Net asset value per share for financial statement purposes	USD1,277.400	-	-
Add: Valuation adjustment	-	-	-
Net asset value per share for shareholder dealing	USD1,277.400	-	-

	Sanlam Global Fund of Hedge Funds		
	Year Ended 31/12/2014	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class A December 2011			
Net Asset Value	USD10,201,136	-	-
Number of Shares in Issue	97,844	-	-
Net asset value per share for financial statement purposes	USD104.259	-	-
Add: Valuation adjustment	-	-	-
Net asset value per share for shareholder dealing	USD104.259	-	-

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

19. Net asset value per share (continued)

	Sanlam Global Fund of Hedge Funds		
	Year Ended 31/12/2014	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class A August 2012			
Net Asset Value	USD71,531	-	-
Number of Shares in Issue	700	-	-
Net asset value per share for financial statement purposes	USD102.243	-	-
Add: Valuation adjustment	-	-	-
Net asset value per share for shareholder dealing	USD102.243	-	-
Share Class A October 2012			
Net Asset Value	USD1,193,823	-	-
Number of Shares in Issue	11,687	-	-
Net asset value per share for financial statement purposes	USD102.149	-	-
Add: Valuation adjustment	-	-	-
Net asset value per share for shareholder dealing	USD102.149	-	-
Share Class A November 2012			
Net Asset Value	USD46,016,637	-	-
Number of Shares in Issue	446,653	-	-
Net asset value per share for financial statement purposes	USD103.025	-	-
Add: Valuation adjustment	-	-	-
Net asset value per share for shareholder dealing	USD103.025	-	-

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

19. Net asset value per share (continued)

	Sanlam Global Fund of Hedge Funds		
	Year Ended 31/12/2014	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class A July 2013			
Net Asset Value	USD385,936	-	-
Number of Shares in Issue	3,796	-	-
Net asset value per share for financial statement purposes	USD101.682	-	-
Add: Valuation adjustment	-	-	-
Net asset value per share for shareholder dealing	USD101.682	-	-

	Sanlam Global Fund of Hedge Funds		
	Year Ended 31/12/2014	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class A April 2014			
Net Asset Value	USD28,716,550	-	-
Number of Shares in Issue	285,026	-	-
Net asset value per share for financial statement purposes	USD100.751	-	-
Add: Valuation adjustment	-	-	-
Net asset value per share for shareholder dealing	USD100.751	-	-

	Sanlam Global Fund of Hedge Funds		
	Year Ended 31/12/2014	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class A Designated			
Net Asset Value	USD1,855,784	-	-
Number of Shares in Issue	590	-	-
Net asset value per share for financial statement purposes	USD3,143.692	-	-
Add: Valuation adjustment	-	-	-
Net asset value per share for shareholder dealing	USD3,143.692	-	-

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

19. Net asset value per share (continued)

	Sanlam Global Corporate Bond Fund		
	Year Ended 31/12/2014	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class A			
Net Asset Value	-	-	USD114
Number of Shares in Issue	-	-	10
Net asset value per share for financial statement purposes	-	-	USD11.4477
Add: Valuation adjustment	-	-	-
Net asset value per share for shareholder dealing	-	-	USD11.4477

	Sanlam Global Corporate Bond Fund		
	Year Ended 31/12/2014	Year Ended 31/12/2013	Year Ended 31/12/2012
Share Class E			
Net Asset Value	-	-	USD22,874,386
Number of Shares in Issue	-	-	2,090,559
Net asset value per share for financial statement purposes	-	-	USD10.9418
Add: Valuation adjustment	-	-	-
Net asset value per share for shareholder dealing	-	-	USD10.9418

20. Cross liability of funds

The Directors are not aware of any such existing or contingent liability at 31 December 2014 or 2013. 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 2014 and 2013.

22. Significant events during the year

During the year the following Funds launched:

Name	Status
Sanlam Global Fund of Hedge Funds	Active – Launched 1 September 2014

NOTES TO AND FORMING PART OF THE AUDITED FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2014

22. Significant events during the year (continued)

The following Funds issued new offering supplements during the year:

Fund name	Date of latest revised offering supplement
Sanlam Institutional Equity Flexible Fund	1 September 2014
Sanlam Centre Multi-Asset Real Return Feeder Fund	1 September 2014
Sanlam Institutional Balanced Fund	1 September 2014
Sanlam Institutional Bond Fund	1 September 2014
Sanlam Credit Income Fund	1 September 2014
Sanlam Global Fund of Hedge Funds	24 September 2014

During the reporting period, the Company was authorised by the Central Bank of Ireland as a QIAIF in accordance with AIFMD regulations. Also in accordance with AIFMD regulations, the Company appointed the Manager as the AIFM. On 29 August 2014, the Manager was authorised as AIFM by the Central Bank of Ireland.

With effect from 1 September 2014, Brown Brothers Harriman Fund Administration (Ireland) Limited replaced J.P. Morgan Administration Services (Ireland) Limited as the appointed Registrar & Transfer Agent.

With effect from 1 September 2014, Brown Brothers Harriman Trustee Services (Ireland) Limited was appointed Depository to the Funds, replacing Northern Trust Fiduciary Services (Ireland) Limited, the Custodian until that date.

With effect from 1 September 2014, Brown Brothers Harriman Trustee Services (Ireland) Limited replaced J.P. Morgan Chase Bank (London Branch) as Stock Lending Agent.

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.

There were no other significant events during the year.

23. Significant events since the end of the year

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 2014 to 31 December 2014 or 1 January 2013 to 31 December 2013.

25. Approval of the financial statements

The Financial Statements were approved by the Board of Directors on 23 April 2015.

SAMI REMUNERATION POLICY (UNAUDITED)

SAMI has implemented a remuneration policy (the “SAMI Remuneration Policy”) in line with the provisions of Article 13 of the Directive 2011/61/EC on Alternative Investment Fund Managers (the “AIFMD”), in particular Annex II, and of the European Securities and Markets Authority’s (“ESMA’s”) “Guidelines on sound remuneration policies under the AIFMD” (the “ESMA Guidelines”).

The purpose of the SAMI Remuneration Policy is to provide clear direction and policy regarding SAMI’s remuneration policies and practices consistent with the principles set out in the European Union (Alternative Investment Fund Managers) Regulations 2013 (the “AIFM Regulations”). The SAMI Remuneration Policy also complies with the overarching remuneration philosophy of the Sanlam Investments Cluster (the “Cluster Policy”) with local adjustments to adhere to regulations applicable in Ireland.

The objective of the SAMI Remuneration Policy and the Cluster Policy is to support SAMI’s and the Sanlam Investments Cluster’s business objectives, and the Sanlam Group corporate values, including prudent risk management, by attracting, retaining and motivating the key talent to achieve these outcomes. The SAMI Remuneration Policy has been designed to be consistent with and promote sound and effective risk management, not encourage excessive or inappropriate risk-taking, eliminate conflicts of interest and be cognisant of SAMI’s Treating Customers Fairly policy.

In its design, SAMI has also taken into account the nature, scale and complexity of its business. In determining the range of activities undertaken, SAMI has given due consideration to the number of funds under management, the type of investments, the investment strategies, the investment location, the distribution models and the investor base. Due consideration has also been given to the resources available to SAMI and the resources and expertise of the various third parties engaged to support SAMI and carry out certain functions on its behalf.

The SAMI Remuneration Policy applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of SAMI or of the Alternative Investment Funds (“AIFs”), including the Company, to which SAMI has been appointed as AIFM. The disclosures in this report are made in respect of the SAMI Remuneration Policy and how it applies to the Company and to the persons to whom portfolio and risk management activities have been delegated by SAMI. SAMI has the facility to appoint delegates to carry out discretionary portfolio management activity on its behalf in accordance with its outsourcing policy (the “Investment Managers”). The disclosures are made in accordance with the AIFMD, the European Commission Delegated Regulation supplementing the AIFMD and the ESMA Guidelines.

SAMI recognises the important role played by sound risk management in protecting stakeholders. Moreover, SAMI acknowledges that inappropriate remuneration structures could in certain circumstances result in situations whereby individuals assume more risk on the relevant institution’s behalf than they would have done had they not been remunerated that way. The SAMI Remuneration Policy aligns the risk taking behaviour of employees and officers with SAMI’s risk appetite and the risk appetite in respect of each of the funds.

The SAMI Remuneration Policy applies to “Identified Staff”. Under the ESMA Guidelines, Identified Staff are defined as follows:

- Categories of staff, including senior management, risk takers, Control Functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the AIFM’s risk profile or the risk profiles of the AIF that it manages and categories of staff of the entity/entities to which portfolio management or risk management activities have been delegated by the AIFM, whose professional activities have a material impact on the risk profiles of the AIF that the AIFM manages.
- Any other employee/persons whose total remuneration is within the same remuneration bracket as senior managers (e.g. other high earning staff) and who can exert a material impact on the risk profile of the AIFM or the AIFs under management.

SAMI REMUNERATION POLICY (UNAUDITED) (CONTINUED)

The list of Identified Staff maintained by SAMI is subject to regular review (at least annually by the Board of Directors of SAMI) and is formally reviewed in the event of, but not limited to:

- Organisational changes;
- New business initiatives;
- Changes in role responsibilities; and
- Revised regulatory direction.

Variable remuneration

Variable remuneration is an important tool to incentivise staff. It also gives SAMI or the Investment Managers (and therefore the Company) flexibility such that, in years in which SAMI or the Investment Managers perform poorly, variable remuneration may be reduced or eliminated. In some circumstances, however, variable remuneration, if inappropriately structured, can lead to excessive risk taking as employees may be incentivised to keep taking risk to maintain or increase their variable remuneration.

In deciding the mix between fixed and variable remuneration, SAMI is mindful of the need to ensure that the basic pay of staff is adequate to remunerate the professional services rendered taking into account, inter alia, the level of education, the degree of seniority, the level and expertise and skills required. SAMI is an AIFM and UCITS Management Company and its revenues are based on a percentage of the NAVs of the Funds, including that of the Company. Its revenues may be more volatile than other types of businesses. SAMI may also be paid expenses and other revenue from the Funds to which it provides services. Variable remuneration allows SAMI to reduce the risk that its capital base is eroded due to the need to pay fixed remuneration cost should trading revenues decline. Owing to the nature of the contracts it enters into with its Directors and their Designated Persons the ratio of variable pay to fixed pay is considered appropriate but is kept under review.

The level of variable remuneration within SAMI is dependent on the achievement of individual goals, overall individual performance, the financial results of SAMI, Sanlam Investments Cluster, the Sanlam Group and the achievement of Treating Customers Fairly outcomes.

Individual Goals, consistent with shareholder goals, are set at the beginning of the year and performance is measured through Sanlam's performance management process. Goals set shall be financial and non-financial in nature. Mistakes resulting in unforced and avoidable losses may be penalised. Variable remuneration paid is based on the previous year's financial results and individual performance outcomes as determined as a result of a formal review of performance carried out in December. Pro-rata payments apply to new appointments based on time in the job over the financial year.

AIFM Oversight of the Investment Managers' Remuneration Framework

As AIFM, SAMI ensures that the persons to whom portfolio and/or risk management activities have been delegated are subject to remuneration arrangements that are equally as effective as those provisions of the AIFMD. As the discretionary portfolio management activity has been delegated to the Investment Managers, SAMI shall determine, on a case by case basis, whether or not the scope of the mandate granted to a particular delegate is such that the relevant staff of the Investment Manager constitute "Identified Staff" for the purposes of SAMI's Remuneration Policy. Where relevant staff of Investment Managers constitute "Identified Staff", SAMI shall ensure those Investment Managers are subject to a remuneration framework consistent with the provisions of AIFMD and will assess on a regular basis the appropriateness of the Investment Managers' remuneration framework, the applicable policies and procedures in this regard for continuing compliance with AIFMD, and ensure that updates are made as necessary in line with the applicable regulations.

SAMI REMUNERATION POLICY (UNAUDITED) (CONTINUED)

Proportionality

SAMI, as AIFM, may take a proportionate approach, both in respect of how the SAMI Remuneration Policy shall apply to itself and to any relevant delegates (e.g. Investment Managers), to compliance in a way and to the extent that is appropriate to their size, internal organisation and the nature scope and complexity of their activities. In assessing what is proportionate, SAMI shall have regard to the provisions contained in the ESMA Guidelines and will focus on the combination of all the criteria mentioned therein.

Quantitative Remuneration Disclosures

Appropriate disclosures will be made in accordance with Article 22(2) (e) and (f) of the AIFMD in due course.

Effective Date

In accordance with the ESMA Q&A on AIFMD dated 17 February 2014, the AIFMD regime on variable remuneration should apply only to full performance periods and should first apply to the first full performance period after the AIFM becomes authorised. As SAMI was authorised during 2014, the numerical disclosures on variable remuneration will therefore be required in the Annual Report of the Company for the year ended 31 December 2015.

LEVERAGE

Each Fund may employ leverage and borrow cash in accordance with its stated investment policy or investment strategy. Consistent with its investment objectives and policy, a Fund may utilise a variety of exchange traded and over-the-counter (OTC) derivative instruments such as swaps, options, futures and forward currency transactions as part of their investment policy as more fully set out in each Fund’s Supplement. The use of derivatives may expose a Fund to a higher degree of risk. In particular, derivative contracts can be highly volatile, and the amount of initial margin is generally small relative to the size of the contract so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on derivatives than on standard underlying bonds or equities. Leveraged derivative positions can therefore increase a Fund’s volatility. The use of borrowings and leverage has attendant risks and can, in certain circumstances, substantially increase the adverse impact to which a Fund’s investment portfolio may be subject.

For the purposes of this disclosure, leverage is any method by which a Fund’s exposure is increased, whether through borrowing cash or securities, or leverage embedded in derivative contracts or by any other means. Leverage is the Fund’s exposure expressed as the percentage of its NAV. The AIFMD prescribes two required methodologies, the gross methodology and the commitment methodology (as set out in AIFMD Level 2 Implementation Guidance), for calculating such exposure. Using the methodologies prescribed under the AIFMD, the leverage of each Fund of the Company is disclosed in the table below:

Fund Name	Commitment leverage		Gross Leverage	
	Maximum permitted per Supplement	Actual as at 31 December 2014	Maximum permitted per Supplement	Actual as at 31 December 2014
Sanlam Centre Multi-Asset Real Return Feeder Fund	100%	0%	250%	0%
Sanlam Credit Income Fund	400%	0%	500%	99.51%
Sanlam Global Fund of Hedge Funds	125%	0%	300%	84.04%
Sanlam Institutional Balanced Fund	100%	0%	250%	0%
Sanlam Institutional Bond Fund	100%	0%	250%	0%

**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 30 June 2015 at 10.50 a.m.:

- To receive and consider the financial statements for the year ended 31 December 2014 and the reports of the Directors and auditors thereon;
- To appoint Ernst & Young as auditors of the Company; and
- 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 23 April 2015
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 30 June 2015 at 10.50 a.m. 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 2014 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