Atlantic Pacific
Australian Equity Fund

ARSN 158 861 155

APSEC FUNDS MANAGEMENT

Fund Report and Commentary - 31 August 2015

Fund Return vs the S&P/ASX 200 Accumulation Index after All Fees before Tax

Period	1 mth	3 mth	6 mth	1 yr	Inception (June 2013) Cumulative	Inception (June 2013) Per Annum
Fund Return[1]	0.81%	-1.20%	-2.8%	9.9%	42.9%	17.2%
Index	-7.79%	-8.84%	-10.1%	-3.2%	16.7%	7.1%
Outperformance	8.60%	7.64%	7.3%	13.0%	26.2%	10.1%

Key Fund Data

Ex Unit Price (Mid)	1.2564	$10,000	Min. Investment
MER	2.2%	$5,000	Add. Investment
Performance Fee[2]	15%	1 Jun 13	Fund Commenced
Buy/Sell Spread	0.20%	30 Jun	Income Distribution

Fund Return by Month after All Fees before Tax

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ytd
2013	n/a	n/a	n/a	n/a	n/a	1.09%	5.08%	6.72%	3.51%	1.92%	-3.03%	2.58%	18.97%
2014	-2.67%	3.83%	1.25%	2.04%	-0.42%	-0.28%	3.15%	2.27%	-2.89%	3.63%	1.05%	2.56%	14.06%
2015	2.62%	5.60%	-0.66%	-1.82%	0.88%	-5.58%	3.80%	0.81%					5.34%

1. Fund Returns are prepared on a mid unit price basis after management and performance fees inclusive of GST. Distributions are assumed to be re-invested at the mid unit price. Individual tax is not taken into account in deriving Fund Returns. In calculating the NTA, the Atlantic Pacific Australian Equity Fund ("Fund") asset values have been calculated using unaudited price and income estimates for the month being reported.
2. Performance Fees are charged where the Fund's gross performance (before fees and expenses) exceeds the performance of the S&P/ASX 200 Accumulation Index by 3%pa and the Fund's High water mark.

Fund Activity

The Australian equity market returned -7.79% for the month of August 2015, the largest down month since the inception of the Fund which was dominated by falls in the Top 50 companies which as a sub-index fell 8.35% including dividends. Of the large sectors, Energy, Financials and Telecoms drove this performance. Drivers of poor performance this month included steep falls in Oil, a generally poor reporting season particularly for those companies with European exposure and a significant major bank capital raising program. More importantly offshore developments particularly in relation to the Remnimbi devaluation led to a global sell-off in equities. On a relative basis to other global equity markets given the preceding negative attributes of performance and with the AUDUSD falling dramatically as well, the Australian equity market performed quite well which given its relationship to the Chinese market through our trade sector we were certainly expecting more downside. Global market gyrations like these occur quite regularly, if not every year, and one has to expect a washout. This is a good outcome for markets as it re-prices assets closer to fair value particularly if one is able to move through times of turbulence with very little impairment. We had opined a number of times this year as to the above fair valuation of the market particularly as interest rate sensitives rallied through the first quarter. We are certainly pleased to present a positive number for this month as we had been underweight energy, materials and major banks through most of this year and finally the over-exuberance in these sectors came home to roost. In order to present a positive number for the month given the long bias nature of the fund required a number of good outcomes to go our way. Firstly, the reporting season, as we had noted last month, we were not at all enamoured with most companies leading in. We had cleaned up the portfolio of companies which had the potential to report poorly and only risked capital where the asymmetry was in our favour. Companies that reported well included BigAir (BGL), Fairfax Media (FXJ), Greencross (GXL), JB Hi-Fi (JBH), Magellan Financial Group (MFG), QBE Insurance (QBE), RCG Corporation (RCG), Retail Food Group (RFG), Select Harvests (SHV) and Tassal Group (TGR). Some of our companies reported well but has yet to show up in prices including M2 Group (MTU), NextDC (NXT) and Qantas (QAN). We await time for these shares to re-price with no bias to liquidate. We were fortunate in Automotive Holdings (AHG) as its shares rallied despite a continued poor showing from their logistics business. We were able to liquidate post report with no major impairment. Secondly, the Fund experienced its third takeover in a little known deep-valued coal producer, Universal Coal (UNV). We have accumulated this company's shares for over a year sub 10c and finally we have been rewarded with a takeover approach, albeit too low in our view. Similarly, Asciano (AIO) had a revised offer from Brookfield Infrastructure Partners leading to significant outperformance relative to the market. In times of market stress it always helps having zero-beta names and this has clearly benefitted unitholders. Thirdly, our defensive strategies worked very well over the month. Taken all together, daily relative performance of over 2% occurred three times over the month leading to strong outperformance of 8.6% for the month. We have written many times in the past that we target 5-10% relative performance over a year and to have delivered this in one month is very gratifying. We won't rest on our laurels and will target further outperformance over the coming year. Notwithstanding, as unitholders should now be well aware, minimising downside volatility is just as important as maximising upside returns ie investing is not only about selecting the right stocks but knowing when to take your foot of the pedal. In our 24/7 world, timing and anticipation is everything.

Outlook

The past month has presented new information to the market as well as a significant re-pricing of assets. This new information will always provide insights as to which companies are likely to outperform over the coming months. The Fund's portfolio will adjust accordingly towards companies we expect to outperform in the liquid space. We are also targeting severely oversold share prices where fundamental asymmetry remains. Further, our defensive strategies will remain a focus with generally full coverage overnight into global markets. In particular, as we lead into the September US Federal Open Market Committee (FOMC) meeting, we will be on alert for outcomes which may impair portfolio returns. While we don't expect the FOMC to move this year, it takes a brave man to bet the farm in line with these outcomes to which we will not subject the capital of the Fund. Now is a time of hitting singles rather than hitting the ball out of the park. The Fund's final reporting company is Premier Investments (PMV). We have held this company effectively since inception of the Fund and has done extremely well for unitholders. We continue to view the growth prospects for Smiggles as significant which over time will lead to a continued re-rating.

See the final page of this report for important information, including warnings.

Prepared by: APSEC Funds Management Pty Ltd

Lvl 4, 151 Castlereagh Street, Sydney, NSW, 2000, (+61 2) 8356 9356

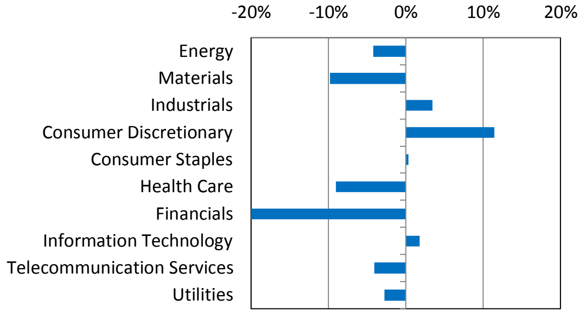
Atlantic Pacific
Australian Equity Fund

ARSN 158 861 155

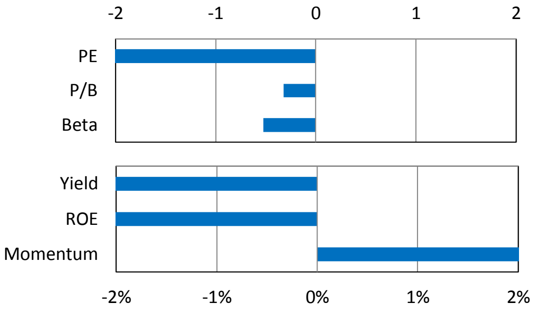
Fund Report and Commentary - 31 August 2015

Fund Positioning relative to the S&P/ASX 200 Index

Sector Exposure



Factor Exposure



Company Contributors to Performance

Positive
Asciano
Greencross
Retail Food Group
Universal Coal

Negative
Flexigroup
M2 Group
National Australia Bank
Qantas

Disclaimer

APSEC Funds Management Pty Ltd ACN 152 440 723 (APSECFM) is a corporate authorised representative (CAR: 411859) of APSEC Compliance and Administration Pty Limited (AFSL 345 443 ACN 142 148 409). APSECFM is the investment manager of the Atlantic Pacific Australian Equity Fund (ARSN 158 861 155) (Fund).

One Managed Investment Funds Limited (ABN 47 117 400 987) (AFSL 297042) is the responsibility entity of Fund (OMIFL). OMIFL has not been involved in the preparation of this fund report and takes no responsibility for its content. Investors should consider the product disclosure statement (PDS) issued by OMIFL before making any decision regarding the Fund. The PDS contains important information about investing in the Fund and it is important investors obtain and read a copy of the PDS before making a decision about whether to acquire, continue to hold or dispose of units in the Fund. You should also consult a licensed financial adviser before making an investment decision in relation to the Fund. A copy of the PDS & Additional PDS (Dated 1 February 2014) and continuous disclosures may be obtained from www.oneinvestment.com.au/atlantic or www.apsecfm.com.au.

APSECFM believes that the information contained in this document is accurate when issued. APSECFM does not warrant that such information or advice is accurate, reliable, complete or up-to-date, and to the fullest extent permitted by law, disclaims all liability of APSECFM and its associates. This document should be regarded as general information only rather than advice. In preparing this document, APSECFM did not take into account the investment objectives, financial situation and particular needs of any individual person.

The information contained in this document must not be copied or disclosed in whole or in part without the prior written consent of APSECFM, and APSECFM accept no liability whatsoever for the actions of third parties in this respect. It is presented for informational purposes only and is not to be construed as a solicitation or an offer or recommendation to buy or sell any securities. Any opinions expressed in this document may be subject to change. APSECFM is not obliged to update the information. The information must not be used by recipients as a substitute for the exercise of their own judgment and investigation. Neither APSECFM nor any of their directors, employees or agents accept any liability for any loss or damage arising out of the use of all or part of, or any omission, inadequacy or inaccuracy in, this document. Any historical figures or statistical data quoted within this report have been sourced from industry sources such as ASX, IRESS, Bloomberg, Reuters or similar that are assumed to be reliable and accurate at the time of publication.

OMIFL and APSECFM do not guarantee the performance of the Fund or the repayment of any investor's capital. To the extent permitted by law, neither OMIFL nor APSECFM, including their directors, senior executives, employees, consultants, advisers, officers or authorised representatives, are liable for any loss or damage arising as a result of reliance placed on the contents of this document. Past performance is not indicative of future performance. Information in this document is current as at 31 August 2015.

Prepared by: APSEC Funds Management Pty Limited

Lvl 4, 151 Castlereagh Street, Sydney, NSW, 2000, (+61 2) 8356 9356