

**LSV Funds Plc**

**Audited Annual Financial Statements**

**For the year financial year ended 31 December 2015**

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**DIRECTORY**

**Directors of the Company**

Joshua O'Donnell  
James Owens  
Kevin Phelan  
Victoria Parry <sup>(1)</sup>  
Yvonne Connolly <sup>(1)</sup>

**Registered Office**

70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Investment Manager, Distributor and Promoter**

LSV Asset Management  
155 N. Wacker Drive  
Suite 4600  
Chicago, IL 60606  
United States of America

**Company Secretary**

Matsack Trust Limited  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Administrator**

SEI Investments - Global Fund Services Limited  
Styne House  
Upper Hatch Street  
Dublin 2  
Ireland

**Depository**

SEI Investments Trustee and Custodial Services  
(Ireland) Limited  
Styne House  
Upper Hatch Street  
Dublin 2  
Ireland

**Independent Auditors**

Deloitte  
Chartered Accountants and Statutory Audit Firm  
Deloitte House  
Earlsfort Terrace  
Dublin 2  
Ireland

**Legal Advisers to the Company**

Matheson  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

<sup>(1)</sup> The directors are independent and non-executive

## **DIRECTORS' REPORT**

### **For the financial year ended 31 December 2015**

The Directors submit their report together with the audited financial statements of LSV Funds Plc (the "Company") for the year ended 31 December 2015.

#### **Statement of Directors' responsibilities for the Financial Statements**

Irish company law requires the Directors to prepare financial statements for each financial year/period. Under the law, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union ("relevant financial reporting framework"). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies for the Company Financial Statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 and Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2015 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Business review and principal activities**

The Company is an umbrella type open-ended Investment Company with variable capital and limited liability incorporated on 1 May 2014 under the laws of Ireland with segregated liability between its sub-funds. The Company is authorised in Ireland by the Central Bank of Ireland pursuant to the UCITS Regulations. The Company currently has one active sub-fund, LSV U.S. Value Equity Fund (the "Sub-Fund"). Class A shares were listed on the Irish Stock Exchange on the 3 October 2014. The business of the Company and of the Sub-Fund is reviewed in detail in the Investment Manager's Report on page 7.

#### **Review of Development of the business and future developments**

The change in the net asset value for the period is a key indicator of the performance of the Company. A detailed review of the business and future developments is included in the Investment Manager's Report on page 7.

#### **Risk management objectives and policies**

The principal risks and uncertainties which the Company face relate to the use of financial instruments and are listed in Note 11 "Risks associated with financial instruments". The investment objective of the Company is disclosed in Note 1 "Organisation".

#### **Results**

The results of operations are set out in the Statement of Comprehensive Income on page 16.

#### **Subsequent events**

Significant events since the end of the period are disclosed in Note 14 "Subsequent Events".

**DIRECTORS' REPORT (CONTINUED)**  
**For the financial year ended 31 December 2015**

**Dividends**

No dividend was paid or proposed during the period.

**Directors**

The Directors that served during the period are listed on page 1. There were no changes to the Directors within the year.

**Directors' and Company Secretary Interests**

At the date of this Report, the Directors, Company Secretary or connected persons have no beneficial or non-beneficial interests in the shares of the Company.

**Connected Persons**

The Directors are satisfied that there are adequate arrangements in place to ensure that all transactions with connected persons, namely the promoter, manager, depositary, investment advisor and associated or group companies of these, are carried out as if negotiated at arm's length and in the best interests of the shareholders as required by the Central Bank UCITS Regulations, Sections 40 and 41. The Directors are satisfied that transactions with connected persons entered into during the period were carried out on this basis.

Shareholders should be aware that not all "connected persons" as defined by the Central Bank UCITS Regulations are "related parties" as defined by IAS 24, "Related Party Disclosures".

**Accounting Records**

The Directors have ensured that the proper books and records requirements under Section 281 to 285, Companies Act 2014 have been complied with by outsourcing this function to a specialist provider of such services. The books of account are held by SEI Investment – Global Fund Services Limited or at the Company's registered office which is 70 Sir John Rogerson's Quay, Dublin 2, Ireland.

**Independent Auditors**

Deloitte Chartered Accountants and Statutory Audit Firm, have been appointed as auditors in accordance with section 383(2) of the Companies Act, 2014.

On Behalf of the Board of Directors

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Yvonne Connolly, Director

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Victoria Parry, Director

Date: 22 April 2016

## STATEMENT OF CORPORATE GOVERNANCE

### (a) General Requirements

The Company is subject to the requirements of the Irish Companies Act 2014 (the “Companies Act”) and the Central Bank of Ireland (“Financial Regulator”) in its UCITS Notices and Guidance Notes. Although there is no statutory corporate governance code applicable to Irish collective investment schemes whose shares are admitted to trading on the Irish Stock Exchange, the Company is subject to corporate governance practices imposed by:

- (i) the Companies Act which can be obtained from the Irish statute book website at [www.irishstatutebook.ie](http://www.irishstatutebook.ie) and are available for inspection at the registered office of the Company;
- (ii) the Articles of Association of the Company (the “Articles”) which are available for inspection at the registered office of the Company and may be obtained at the registered office of the Administrator or at the Companies Registration Office in Ireland;
- (iii) the Central Bank of Ireland in their UCITS Regulations and guidance notes which can be obtained from the Central Bank of Ireland’s website at <https://www.centralbank.ie/regulation/industry-sectors/funds/ucits/Pages/default.aspx> and
- (iv) the Irish Stock Exchange (“ISE”) through the ISE Code of Listing Requirements and Procedures which can be obtained from the ISE’s website at <http://www.ise.ie/index.asp?locID=7&docID=-1>

In addition to the above, a voluntary corporate governance code (“the IF Code”) applicable to Irish domiciled collective investment schemes was issued by Irish Funds (“IF”) in 14<sup>th</sup> December 2011. The Board of Directors (“The Board”) has put in place a framework for corporate governance which it believes is suitable for an investment company and which enables the Company to comply with the requirements of the IF Code, which sets out principles of good governance and a code of best practice.

The Board considers that the Company has complied with the main provisions contained in the IF Code throughout this accounting period.

### (b) Board of Directors

In accordance with the Companies Act and the Articles, unless otherwise determined by an ordinary resolution of the Company in general meeting, the number of Directors may not be less than two. The Board is currently comprised of five Directors, two of whom are independent Directors. Details of the current Directors are set out in the “Directory” section on page 1, under the heading “Directors of the Company”.

The Board meets on at least a quarterly basis to fulfil its responsibilities. However, additional meetings may be convened as required and the Board may meet more frequently in general sessions of the Board to discuss matters of general importance to the Company. The quorum necessary for the transaction of business at a meeting of Directors is two.

The Board has delegated management of the Company to certain delegate service providers. These delegate service providers are set out in the “Directory” section on page 1.

**STATEMENT OF CORPORATE GOVERNANCE (CONTINUED)**

**(b) Board of Directors (continued)**

Board materials, including a detailed agenda of items for consideration at each Board meeting, minutes of the previous meeting and reports from various internal and external stakeholders, including delegate service providers, are generally circulated in advance of the meeting to allow all Directors adequate time to consider the material.

The Board has not directly established any committees to whom business is delegated. The Board has regular direct contact with the delegate service providers and thus delegated responsibilities to committees are not deemed necessary.

**(c) Internal Control and Risk Management Systems in Relation to Financial Reporting**

The Board is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. The Board has entrusted the administration of the accounting records to the independent Administrator. The Board, through delegation to the Administrator, has put in place a formal procedure to ensure that relevant accounting records for the Company are properly maintained and are readily available, and includes the procedure for the production of audited annual financial statements and unaudited semi-annual financial statements for the Company. The annual and semi-annual financial statements of the Company are prepared by the Administrator and presented to the Board of Directors for approval, prior to applicable filing such as with the Central Bank of Ireland or the ISE.

The Board has hired an independent external audit firm to audit the annual financial statements in accordance with the Companies Act. The auditors' report to shareholders, including any qualifications, is reproduced in full in the annual report on pages 8 and 9.

From time to time, the Board will examine and evaluate the Administrator's financial accounting and reporting routines; and will monitor and evaluate the external Auditors' performance, qualifications and independence.

**(d) Shareholder Meetings**

All general meetings of the Company shall be held in Ireland. Each year the Company shall hold a general meeting as its annual general meeting. Reasonable notice shall be given in respect of each general meeting of the Company. The notice shall specify the venue and time of the meeting and the business to be transacted at the meeting. A proxy may attend on behalf of any shareholder. An ordinary resolution is a resolution passed by a simple majority and a special resolution is a resolution passed by a majority of 75 % or more of the votes cast. The Articles provide that matters may be determined by a meeting of shareholders on a show of hands unless a poll is requested by five shareholders or by shareholders holding 10 % or more of the Shares or unless the Chairman of the meeting requests a poll. Each Share (including the Subscriber Shares) gives the holder one vote in relation to any matters relating to the Company which are submitted to shareholders for a vote by poll.

On Behalf of the Board of Directors

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Yvonne Connolly, Director

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Victoria Parry, Director

Date: 22 April 2016

## **DEPOSITARY'S REPORT TO THE SHAREHOLDERS OF LSV Funds Plc (The "Company")**

We have enquired into the conduct of LSV Funds plc (the "Company") for the year ended 31 December 2015, 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 as a body, in accordance with the UCITS Regulations 2011, 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 UCITS Regulations 2011. 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 UCITS Regulations 2011. 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 UCITS Regulations 2011 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 European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 ("the UCITS Regulations 2011") and
- (ii) otherwise in accordance with the provisions of the Memorandum and Articles of Association and the UCITS Regulations 2011.

**SEI Investments Trustee and Custodial Services (Ireland) Limited**  
**Styne House**  
**Upper Hatch Street**  
**Dublin 2**

**Date: 22 April 2016**

**INVESTMENT MANAGER’S REPORT**  
**For the financial year ended 31 December 2015**

**Performance Commentary:**

Stocks rebounded in the 4th quarter as the S&P 500 rose 7.0% and (thanks to dividends) the index posted a positive total return for the year. It was not a good year for most stocks as the market was very narrow and favored high growth and high valuation stocks. In fact, the S&P 500 would have been down if it weren’t for four stocks: Amazon, Alphabet(Google), Facebook and Netflix. Those four names contributed 1.9% to the market return for the year and all four have very rich valuations. The spread between the largest growth stocks and mid cap growth stocks was enormous. The mid cap growth index had a negative return for the year and it is part of the Russell 1000 Growth index. Late in the quarter, the FED did end up raising interest rates by a quarter point, the first rate increase in 9 years and the first major economy to begin lifting rates while most of the rest of the world is still easing.

Value stocks lagged the overall market again in 2015 and value/growth spreads have widened significantly. The Russell 1000 Value declined 3.8% for the year which lagged the growth index by nearly 10%. Within the value market, the size disparity was much less than in the growth style. The biggest style spread occurred in the largest stocks, also indicating the narrowness of the market.

We remain focused on ensuring strict adherence to our value discipline and working on research that will improve the process. Stocks are cheap relative to historic averages and compared to other asset classes.

Key Drivers for returns:	<u>4th Qtr</u>	<u>2015</u>
1) Style Bias (deep value)	neutral	negative
2) Size Bias (smaller)	negative	negative
3) Stock Selection	slightly negative	positive
4) Sector Selection	neutral	neutral

**Investment Performance**

Year	Month	LSV U.S. Value Equity Fund (UCITS)			Russell 1000 Value			S&P 500		
		Monthly Return	Quarterly Return	Since Inception	Monthly Return	Quarterly Return	Since Inception	Monthly Return	Quarterly Return	Since Inception
2014	Oct 06-31	2.56		2.56	2.41		2.41	2.66		2.66
	Nov	1.80		4.41	2.05		4.51	2.69		5.42
	Dec	0.83	5.28	5.28	0.61	5.15	5.15	(0.25)	5.16	5.16
2015	Jan	(4.48)		0.56	(4.00)		0.94	(3.00)		2.00
	Feb	5.53		6.12	4.84		5.83	5.75		7.86
	Mar	(1.52)	(0.73)	4.51	(1.36)	(0.72)	4.39	(1.58)	0.95	6.15
	Apr	0.54		5.07	0.93		5.36	0.96		7.17
	May	1.38		6.52	1.20		6.63	1.29		8.55
	Jun	(2.30)	(0.42)	4.07	(2.00)	0.11	4.50	(1.94)	0.28	6.45
	Jul	0.44		4.53	0.44		4.96	2.10		8.68
	Aug	(6.60)		(2.37)	(5.96)		(1.29)	(6.03)		2.12
	Sep	(3.61)	(9.57)	(5.89)	(3.02)	(8.39)	(4.27)	(2.47)	(6.44)	(0.40)
	Oct	6.52		0.25	7.55		2.95	8.44		8.00
	Nov	(0.12)		0.13	0.38		3.35	0.30		8.32
	Dec	(3.10)	3.10	(2.97)	(2.15)	5.64	1.12	(1.58)	7.04	6.61
		Annualized Return		(2.40)			0.91			5.30

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF LSV FUNDS PLC**

We have audited the financial statements of LSV Funds Plc (the "Company") for the financial year ended 31 December 2015 which comprise the Schedule of Investments, the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Changes in Net Assets Attributable to the Holders of Participating Shares, the Statement of Cash Flows and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and International Financial Reporting Standards (IFRSs) as adopted by the European Union ("relevant financial reporting framework").

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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 auditors' 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, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with the Companies Act 2014 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 annual report 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.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2015 and of the loss for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 and Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2015.

### **Matters on which we are required to report by the Companies Act 2014**

- We have obtained all the information and explanations we considered necessary for the purpose of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The Company's Statement of Assets and Liabilities and its Statement of Operations are in agreement with the accounting records.
- 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 Act 2014 which requires us to report to you if, in our opinion the disclosures of directors' remuneration and transactions specified by law are not made.

Christian MacManus  
For and on behalf of Deloitte  
Chartered Accountants and Statutory Audit Firm  
Dublin

Date: 22 April 2016

**SCHEDULE OF INVESTMENTS**  
**As at 31 December 2015**
**LSV US Value Equity Fund**

	Shares	US\$ Value	% NAV
<b>Equities</b>			
<b><u>Bermuda</u></b>			
Axis Capital Holdings Ltd	9,300	522,846	0.40%
Everest Re Group Ltd	7,400	1,354,866	1.05%
<b><u>Total Bermuda (2014: US\$2,295,174 2.56%)</u></b>		<b>1,877,712</b>	<b>1.45%</b>
<b><u>United Kingdom</u></b>			
EnSCO PLC	21,600	332,424	0.26%
Noble Corp plc	21,600	227,880	0.18%
<b><u>Total United Kingdom (2014: US\$902,125 1.00%)</u></b>		<b>560,304</b>	<b>0.44%</b>
<b><u>Ireland</u></b>			
XL Group Ltd	8,800	344,784	0.27%
<b><u>Total Ireland (2014: US\$578,550 0.64%)</u></b>		<b>344,784</b>	<b>0.27%</b>
<b><u>Greece</u></b>			
Tsakos Energy Navigation Ltd	48,200	381,744	0.30%
<b><u>Total Greece (2014: US\$Nil 0.00%)</u></b>		<b>381,744</b>	<b>0.30%</b>
<b><u>Singapore</u></b>			
Kulicke & Soffa Industries Inc	17,900	208,893	0.16%
<b><u>Total Singapore (2014: \$448,318 0.50%)</u></b>		<b>208,893</b>	<b>0.16%</b>
<b><u>United States</u></b>			
Aetna Inc	7,300	789,276	0.61%
Aflac Inc	11,500	688,850	0.53%
Aircastle Ltd	27,900	582,831	0.45%
Alaska Air Group Inc	6,400	515,264	0.40%
Allstate Corp/The	11,800	732,662	0.57%
Amdocs Ltd	800	43,656	0.03%
American Eagle Outfitters Inc	28,500	441,750	0.34%
American Electric Power Co Inc	23,100	1,346,037	1.04%
American International Group Inc	13,900	861,383	0.67%
Ameriprise Financial Inc	8,100	862,002	0.67%
Amgen Inc	8,000	1,298,640	1.00%
Amkor Technology Inc	71,300	433,504	0.34%
Annaly Capital Management Inc	67,400	632,212	0.49%
Anthem Inc	7,000	976,080	0.75%
Apple Inc	11,900	1,252,594	0.97%
Archer-Daniels-Midland Co	23,500	861,980	0.67%
Arrow Electronics Inc	11,400	617,652	0.48%
Assurant Inc	8,800	708,752	0.55%
AT&T Inc	56,500	1,944,165	1.50%

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

**SCHEDULE OF INVESTMENTS****As at 31 December 2015****LSV US Value Equity Fund - continued**

	Shares	US\$ Value	% NAV
<b>Equities</b>			
<b><u>United States</u></b>			
Atwood Oceanics Inc	8,400	85,932	0.07%
Avery Dennison Corp	7,400	463,684	0.36%
Bank of America Corp	60,600	1,019,898	0.79%
Baxalta Inc	10,400	405,912	0.31%
Boeing Co/The	10,000	1,445,900	1.12%
Briggs & Stratton Corp	39,700	686,810	0.53%
Brinker International Inc	11,700	561,015	0.43%
Bristow Group Inc	7,600	196,840	0.15%
Brocade Communications Systems Inc	66,500	610,470	0.47%
Bunge Ltd	10,700	730,596	0.56%
Cabot Corp	11,200	457,856	0.35%
Cal-Maine Foods Inc	18,200	843,388	0.65%
Capital One Financial Corp	11,100	801,198	0.62%
Cardinal Health Inc	9,000	803,430	0.62%
Caterpillar Inc	5,600	380,576	0.29%
Celanese Corp	8,300	558,839	0.43%
CF Industries Holdings Inc	11,300	461,153	0.36%
Chevron Corp	15,800	1,421,368	1.10%
Cisco Systems Inc	91,600	2,487,398	1.92%
CIT Group Inc	9,700	385,090	0.30%
Citigroup Inc	54,500	2,820,375	2.18%
ConocoPhillips	8,100	378,189	0.29%
Corning Inc	29,200	533,776	0.41%
Cummins Inc	8,300	730,483	0.56%
Deere & Co	9,500	724,565	0.56%
Delta Air Lines Inc	19,200	973,248	0.75%
Discover Financial Services	21,600	1,158,192	0.90%
Domtar Corp	13,300	491,435	0.38%
Eastman Chemical Co	8,300	560,333	0.43%
Edison International	10,500	621,705	0.48%
EMC Corp/MA	41,000	1,052,880	0.81%
Entergy Corp	11,300	772,468	0.60%
Exelon Corp	50,900	1,413,493	1.09%
Express Scripts Holding Co	11,900	1,040,179	0.80%
Exxon Mobil Corp	33,200	2,587,940	2.00%
FedEx Corp	2,000	297,980	0.23%
Fifth Third Bancorp	54,700	1,099,470	0.85%
Finish Line Inc/The	38,149	689,734	0.53%
FirstEnergy Corp	32,900	1,043,917	0.81%
Flextronics International Ltd	57,600	645,696	0.50%

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

**SCHEDULE OF INVESTMENTS**  
**As at 31 December 2015**
**LSV US Value Equity Fund - continued**

	Shares	US\$ Value	% NAV
<b>Equities</b>			
<b><u>United States</u></b>			
Fluor Corp	9,300	439,146	0.34%
Ford Motor Co	88,400	1,245,556	0.96%
Freeport-McMoRan Inc	12,800	86,656	0.07%
GameStop Corp	15,700	440,228	0.34%
Gap Inc/The	15,500	382,850	0.30%
General Motors Co	29,500	1,003,295	0.78%
Gilead Sciences Inc	10,000	1,011,900	0.78%
Goldman Sachs Group Inc/The	5,900	1,063,357	0.82%
Goodyear Tire & Rubber Co/The	29,300	957,231	0.74%
Hancock Holding Co	42,300	1,064,691	0.82%
Harley-Davidson Inc	10,400	472,056	0.37%
Hartford Financial Services Group Inc/The	16,500	717,090	0.55%
HCA Holdings Inc	11,900	804,797	0.62%
Hewlett Packard Enterprise Co	27,200	413,440	0.32%
HollyFrontier Corp	20,300	809,767	0.63%
Hospitality Properties Trust	19,900	520,385	0.40%
HP Inc	27,200	322,048	0.25%
Huntington Bancshares Inc/OH	81,400	900,284	0.70%
Huntsman Corp	9,300	105,741	0.08%
Ingredion Inc	8,200	785,888	0.61%
Intel Corp	71,200	2,452,840	1.90%
International Bancshares Corp	21,100	542,270	0.42%
International Paper Co	19,300	727,610	0.56%
International Business Machines Corp	9,500	1,307,390	1.01%
Johnson & Johnson	41,000	4,211,520	3.26%
JPMorgan Chase & Co	50,900	3,360,927	2.60%
Juniper Networks Inc	26,000	717,600	0.55%
Kindred Healthcare Inc	15,600	185,796	0.14%
Kohl's Corp	20,200	962,126	0.74%
Kroger Co/The	17,300	723,659	0.56%
L-3 Communications Holdings Inc	3,000	358,530	0.28%
Lear Corp	5,800	712,414	0.55%
Lexington Realty Trust	63,900	511,200	0.40%
Lincoln National Corp	14,400	723,744	0.56%
LyondellBasell Industries NV	14,700	1,277,430	0.99%
Mack-Cali Realty Corp	19,800	462,330	0.36%
Macy's Inc	14,600	510,708	0.39%
Marathon Oil Corp	11,000	138,490	0.11%
Marathon Petroleum Corp	32,000	1,658,880	1.28%

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

**SCHEDULE OF INVESTMENTS**  
**As at 31 December 2015**
**LSV US Value Equity Fund - continued**

	Shares	US\$ Value	% NAV
<b>Equities</b>			
<b>United States</b>			
Matrix Service Co	24,600	505,284	0.39%
McGrath RentCorp	17,100	430,749	0.33%
Meritor Inc	30,700	256,345	0.20%
MetLife Inc	14,500	699,045	0.54%
Moog Inc	9,300	563,580	0.44%
National Oilwell Varco Inc	15,200	509,048	0.39%
NetApp Inc	10,600	281,218	0.22%
Northrop Grumman Corp	6,100	1,151,741	0.89%
Oracle Corp	26,500	968,045	0.75%
Pfizer Inc	112,700	3,637,956	2.81%
Phillips 66	11,500	940,700	0.73%
Piedmont Office Realty Trust Inc	16,100	303,968	0.24%
Piper Jaffray Cos	2,029	81,972	0.06%
PNC Financial Services Group Inc/The	10,200	972,162	0.75%
Prudential Financial Inc	13,000	1,058,330	0.82%
Public Service Enterprise Group Inc	44,700	1,729,443	1.34%
Qualcomm Inc	26,300	1,314,606	1.02%
Quest Diagnostics Inc	7,200	512,208	0.40%
Raytheon Co	2,900	361,137	0.28%
Regions Financial Corp	110,000	1,056,000	0.82%
RMR Group Inc/The	234	3,372	0.00%
Rowan Cos Plc	29,800	505,110	0.39%
RR Donnelley & Sons Co	15,200	223,744	0.17%
Sanderson Farms Inc	6,100	472,872	0.37%
Scana Corp	9,800	592,802	0.46%
Seagate Technology PLC	18,600	681,876	0.53%
Select Medical Holdings Corp	26,200	312,042	0.24%
Sonic Automotive Inc	12,000	273,120	0.21%
Starwood Property Trust Inc	22,000	452,320	0.35%
Starz	4,909	164,452	0.13%
SunTrust Banks Inc	32,200	1,379,448	1.07%
Symantec Corp	32,900	690,900	0.53%
TAL International Group Inc	6,700	106,530	0.08%
Target Corp	15,200	1,103,672	0.85%
Time Warner Inc	8,100	523,827	0.41%
Travelers Cos Inc/The	11,600	1,309,176	1.01%
Trinity Industries Inc	15,200	365,104	0.28%
Triumph Group Inc	8,800	349,800	0.27%

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

**SCHEDULE OF INVESTMENTS****As at 31 December 2015****LSV US Value Equity Fund - continued**

	<b>Shares</b>	<b>US\$ Value</b>	<b>% NAV</b>
<b>Equities</b>			
<b>United States</b>			
Tyson Foods Inc	18,100	965,273	0.75%
United Technologies Corp	11,600	1,114,412	0.86%
United Therapeutics Corp	2,900	454,169	0.35%
Unum Group	14,600	486,034	0.38%
Valero Energy Corp	21,500	1,520,265	1.18%
Verizon Communications Inc	36,400	1,682,408	1.30%
Viacom Inc	13,700	563,892	0.44%
Voya Financial Inc	20,600	760,346	0.59%
Wal-Mart Stores Inc	14,000	858,200	0.66%
Wells Fargo & Co	11,700	636,012	0.49%
Western Digital Corp	8,100	486,405	0.38%
Western Union Co/The	29,800	533,718	0.41%
WestRock Co	10,800	492,696	0.38%
Whirlpool Corp	5,100	749,037	0.58%
World Acceptance Corp	3,900	144,690	0.11%
Xerox Corp	94,700	1,006,659	0.77%
<b>Total United States (2014: US\$84,332,796 93.72%)</b>		<b>124,422,491</b>	<b>96.19%</b>
<b>Financial Assets At Fair Value Through Profit Or Loss</b>		<b>127,795,928</b>	<b>98.81%</b>
Cash And Bank Balances		1,989,428	1.54%
Other Net Assets		(456,184)	(0.35%)
Adjustment to Write Back Prepaid Organisational Costs		-	-
<b>Net Assets Attributable To Holders Of Participating</b>			
<b>Shares</b>		<b>129,329,172</b>	<b>100.00%</b>

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

**STATEMENT OF FINANCIAL POSITION**  
**As at 31 December 2015**

	Note	31 December 2015 US\$	31 December 2014 US\$
<b>Assets</b>			
Financial assets at fair value through profit or loss	2, 12	127,795,928	89,544,603
Cash and cash equivalents		1,989,428	520,751
Securities sold receivable		10,213	-
Dividends receivable		102,720	63,422
Other assets		23,709	27,476
<b>Total Assets</b>		<b>129,921,998</b>	<b>90,156,252</b>
<b>Liabilities</b>			
Securities purchased payable	2, 12	379,615	-
Investment management fee payable	6	39,231	104,138
Audit fee payable		4,783	3,241
Administration fee payable	6	8,992	18,745
Trustee and Depositary fees payable	6	2,079	12,496
Directors' fee payable	8	16,271	9,629
Legal fee payable		-	1,505
Other accrued expenses		141,855	33,893
<b>Total Liabilities</b>		<b>592,826</b>	<b>183,647</b>
<b>Net assets attributable to holders of participating shares</b>		<b>129,329,172</b>	<b>89,972,605</b>
<b>Number of outstanding shares</b>			
Class A		13,327,962	8,546,004
<b>Net Asset Value</b>			
Class A		9.70	10.53

On Behalf of the Board of Directors

\_\_\_\_\_  
Yvonne Connolly, Director

\_\_\_\_\_  
Victoria Parry, Director

Date: 22 April 2016

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

**STATEMENT OF COMPREHENSIVE INCOME**  
**For the financial year ended 31 December 2015**

	Note	1 January 2015 to 31 December 2015 US\$	1 May 2014 to 31 December 2014 US\$
<b>Income</b>			
Net (loss)/gain from financial assets at fair value through profit or loss		(8,426,840)	4,300,542
Dividend income		2,268,571	504,216
<b>Total (loss)/income</b>		<u>(6,158,269)</u>	<u>4,804,758</u>
<b>Expenses</b>			
Investments management fee	6	348,379	76,663
Administration fee	6	80,137	18,745
Depositary fee	6	14,707	12,496
Directors fee	8	40,398	9,629
Legal fee		27,354	1,505
Audit fee	6	13,596	3,241
Other expenses		138,195	33,892
<b>Total expenses</b>		<u>662,766</u>	<u>156,171</u>
<b>Finance Costs</b>			
Withholding tax	4	724,398	136,019
<b>(Decrease)/increase in net assets attributable to holders of participating shares</b>		<u><u>(7,545,433)</u></u>	<u><u>4,512,568</u></u>

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

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING SHARES**  
**For the financial year ended 31 December 2015**

	<b>1 January 2015 to 31 December 2015 US\$</b>	<b>1 May 2014 to 31 December 2014 US\$</b>
<b>Net assets attributable to holders of redeemable participating shares at the beginning of the year</b>	89,972,605	-
Proceeds from redeemable participating shares issued	56,802,000	85,460,037
Cost of redeemable participating shares redeemed	(9,900,000)	-
Net (decrease)/increase in net assets resulting from operations	(7,545,433)	4,512,568
<b>Net assets attributable to holders of participating shares at the end of the year</b>	<b><u>129,329,172</u></b>	<b><u>89,972,605</u></b>

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

**STATEMENT OF CASH FLOWS**  
**For the financial year ended 31 December 2015**

	<b>1 January 2015 to 31 December 2015 US\$</b>	<b>1 May 2014 to 31 December 2014 US\$</b>
<i>Cash flows from operating activities :</i>		
(Decrease)/increase in net assets resulting from operations	(7,545,433)	4,512,568
	<hr/>	<hr/>
<b>Operating (loss)/profit before working capital charges</b>	<b>(7,545,433)</b>	<b>4,512,568</b>
<i>Changes in operating assets and liabilities:</i>		
Net decrease in financial assets at fair value through profit or loss	(38,251,325)	(89,544,603)
Net increase in securities sold receivable	(10,213)	-
Net increase in receivables and prepaid fees	(35,531)	(90,898)
Net increase in securities purchased payable	379,615	-
Net increase in fees payable and accrued expenses	29,564	183,647
<b>Cash used in operations</b>	<b>(37,887,890)</b>	<b>(89,451,854)</b>
	<hr/>	<hr/>
<b>Net cash used in operating activities</b>	<b>(45,433,323)</b>	<b>(84,939,286)</b>
<i>Cash flows from financing activities</i>		
Proceeds from issue of participating shares	56,802,000	85,460,037
Redemptions of participating shares	(9,900,000)	-
<b>Net cash from financing activities</b>	<b>46,902,000</b>	<b>85,460,037</b>
	<hr/>	<hr/>
<b>Net increase in cash and cash equivalents</b>	<b>1,468,677</b>	<b>520,751</b>
Cash and cash equivalents at start of the year	520,751	-
	<hr/>	<hr/>
<b>Cash and cash equivalents at end of the year</b>	<b>1,989,428</b>	<b>520,751</b>

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2015**

**1. Organisation**

LSV Funds Plc (the “Company”) established on 1 May 2014 in the form of an investment company is an open-ended umbrella fund with variable capital and segregated liability between its sub-funds under the laws of Ireland as a public limited company pursuant to the Companies Act 2014 and has on 25 June 2014 been authorised by the Central Bank of Ireland as an Undertaking for Collective Investment in Transferable Securities (“UCITS”) in accordance with the requirements of the Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 and Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2015. Notwithstanding the segregation of assets and liabilities between the sub-funds, the Company is a single legal entity and no sub-fund constitutes a legal entity separate from the Company itself.

The Company currently has one active sub-fund, the LSV U.S. Value Equity Fund (the “Sub-Fund”). The Sub-Fund was launched on 25 June 2014 and commenced trading on 6 October 2014.

Additional sub-funds may be added to the Company by the Directors from time to time with the prior approval of the Central Bank of Ireland, each with a separate investment objective and policies. The Company may issue shares of more than one class in each sub-fund.

The Company has appointed LSV Asset Management as the Investment Manager.

The investment objective of the Fund is to seek long-term growth of capital by structuring and maintaining for the Fund a well-diversified portfolio of U.S. stocks.

The Fund will invest primarily in equity securities listed or traded on Recognised markets in the U.S. In selecting securities for the Fund, the Investment Manager focuses on medium to large U.S. companies (i.e., those with market capitalisation of US\$1 billion or more at the time of purchase) whose securities, in the Investment Manager’s opinion, are out-of-favour (undervalued) in the marketplace at the time of purchase and have potential for near-term appreciation. The Fund may also invest, to a lesser extent, in common stocks of such undervalued companies with small market capitalisations (between US\$500 million and US\$1 billion). The Investment Manager believes that these out-of-favour securities will produce superior future returns if their future growth exceeds the market’s low expectations. The Fund expects to remain as fully invested in the above securities as practicable.

**2. Accounting Policies**

**Statement of compliance**

The Company’s financial statements have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union (“IFRS”).

The significant accounting policies adopted by the Company are as follows:

**(a) Basis of Accounting**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities held at fair value through profit or loss.

**(b) Basis of Preparation**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(j). Management believes that the estimates utilised in preparing its financial statements are reasonable and prudent.

The financial statements are prepared in U.S. Dollars (“US\$”), the functional currency of the Company.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2015**

**2. Accounting Policies – (continued)**

**(c) New Standards, Amendments and Interpretations issued but not effective for the financial year beginning 1 January 2015 and not early adopted**

IFRS 9, 'Financial instruments', effective for annual periods beginning on or after 1 January 2018, specifies how an entity should classify and measure financial assets and liabilities, including some hybrid contracts. The standard improves and simplifies the approach for classification and measurement of financial assets compared with the requirements of IAS 39 "Financial Instruments: recognition and measurement". Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged. The standard applies a consistent approach to classifying financial assets and replaces the numerous categories of financial assets in IAS 39, each of which had its own classification criteria. The standard is not expected to have a significant impact on the Company's financial position or performance, as it is expected that the Fund will continue to classify its financial assets and financial liabilities (both long and short) as being at fair value through profit or loss.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Company.

**(d) Classification**

All financial assets and liabilities categorised as financial assets and liabilities at fair value through profit or loss are held for trading. Financial assets or liabilities held for trading are acquired or incurred principally for the purpose of selling or repurchasing in the short term.

**(e) Recognition/derecognition**

Regular-way purchases and sales of investments are recognised on trade date - the date on which the Sub-fund commits to purchase or sell the asset. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Sub-fund has transferred substantially all risks and rewards of ownership.

**(f) Measurement**

Investments are initially recognised at fair value. Transaction costs for all financial assets and financial liabilities carried at fair value through profit or loss are expensed in the Statement of Comprehensive Income as part of net gains/losses on financial assets and liabilities at fair value through profit or loss as incurred.

After initial measurement, the Company measures financial instruments which are classified as at fair value through profit or loss, at their fair values. The fair value of financial instruments is based on their quoted market prices on a recognised exchange or sourced from a reputable broker/counterparty, in the case of non-exchange traded instruments, at the Statement of Financial Position date without any deduction for estimated future selling costs. Financial assets and liabilities are priced at a price between their current bid and ask prices.

The fair value of investments traded on a market is based on their last traded price on the date of determination, on the market where such instruments are principally traded. Where such investment is quoted, listed or traded on or under the rules of more than one market, the Directors shall in their absolute discretion, select the market, which in their opinion, constitutes the main market for such investment for the foregoing purposes.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2015**

**2. Accounting Policies – (continued)**

**(g) Cash and Cash Equivalents**

Cash comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments with original maturities of three months or less and bank overdrafts.

**(h) Income Recognition**

Investment income is reported gross of withholding tax. 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 Company. Fixed interest, bank deposit interest and other income are accounted for on an effective interest basis.

**(i) Finance Costs**

Distributions to holders of redeemable shares are recognised in the Statement of Comprehensive Income as finance costs in the period in which the dividend is declared.

**(j) Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the period. Actual results could differ from those estimates.

**(k) Foreign Currency**

The Company’s functional currency for all operations is the U.S. Dollar. Non-monetary foreign assets and liabilities are translated at historical rates and monetary foreign assets and liabilities are translated at exchange rates in effect at the end of the period.

Transactions during the period, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction.

The Company does not isolate that portion of the results of operations resulting from the changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of investments held. Such fluctuations are included with the net realised gains and losses from investments.

**(l) Realised Gains and Losses on Investments**

Realised gains and losses on sales of investments are calculated based on a first-in, first-out basis. The associated foreign exchange movement between the date of purchase and the date of sale on the sale of investments is included in Net Gains on financial assets at fair value through profit or loss in the Statement of Comprehensive Income.

Movement in unrealised gains and losses on investments arising during the period are also included in Net gains on financial assets at fair value through profit and loss in the Statement of Comprehensive Income.

## NOTES TO THE FINANCIAL STATEMENTS

### For the financial year ended 31 December 2015

#### 2. Accounting Policies – (continued)

##### (m) Participating Shares

All participating shares issued by the Company provide the investors with the right to require redemption for cash at the value proportionate to the investor's share in the Company's net assets at the redemption date. The participating shares which comprise the capital of the Company are in substance a liability of the Sub-Fund to shareholders under IAS 32 "Financial Instruments Presentation".

In accordance with the Prospectus, the Company is contractually obliged to redeem shares at the net asset value per share, less any applicable charge.

##### (n) Expenses

All expenses, including management fees are recognised in the Statement of Comprehensive Income on an accruals basis.

##### (o) Offsetting Financial Instruments

As at 31 December 2015, the Sub-Fund holds no derivative instruments or other financial instruments that are eligible for offsetting in the Statement of Financial Position.

##### (p) Transaction costs policy

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. When a financial asset or financial liability is recognised initially, an entity shall measure it at its fair value through profit or loss with transaction costs for such instruments being recognised directly in the Statement of Comprehensive Income. Transaction costs charged by the Depositary on the settlement of purchases and sales of investments are disclosed within Depositary Fees in the Statement of Comprehensive Income for each Sub-Fund. These costs are included in Note 6 'Fees and Expenses' for each Sub-Fund.

#### 3. Net gains on financial assets at fair value through profit or loss

	1 January 2015 to 31 December 2015 US\$	1 May 2014 to 31 December 2014 US\$
Net movement in realised gains on financial assets at fair value through profit or loss	1,340,380	-
Net movement in unrealised (loss)/gain on financial assets at fair value through profit or loss	(9,767,220)	4,300,542
<b>Total Net (loss)/gain on financial assets at fair value through profit or loss</b>	<u>(8,426,840)</u>	<u>4,300,542</u>

#### 4. Taxation

Under current law and practice, the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a "chargeable event". A chargeable event includes any distribution payments to shareholders, any encashment, redemption, cancellation or transfer of shares and the holding of shares at the end of each eight year period beginning with the acquisition of such shares.

No Irish tax will arise on the Company in respect of chargeable events in respect of:

## NOTES TO THE FINANCIAL STATEMENTS

### For the financial year ended 31 December 2015

#### 4. Taxation – (continued)

(a) a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the Company or the Company has been authorised by the Irish Revenue to make gross payments in the absence of appropriate declarations; and

(b) certain exempted Irish tax resident shareholders who have provided the Company with the necessary signed statutory declarations.

The Finance Act 2010 provides that the Revenue Commissioners may grant approval for investment funds marketed outside of Ireland to make payments to non-resident investors without deduction of Irish tax where no relevant declaration is in place, subject to meeting the “equivalent measures”. A fund wishing to receive approval must apply in writing to the Revenue Commissioners, confirming compliance with the relevant conditions.

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

#### 5. Share Capital

##### *Authorised*

The share capital of the Company will at all times equal the NAV. The authorised share capital of the Company is €300,002 represented by 300,002 Subscriber Shares of no par value issued at €1.00 each and 500,000,000,000 Shares of no par value. The Directors are empowered to issue up to 500 billion Shares of no par value in the Company at the NAV per Share (or the relevant initial subscription price in the case of new Funds) on such terms as they may think fit.

##### *Non-participating shares*

There are two non-participating shares currently in issue, held by individual nominees in trust for the Investment Manager. The subscriber shares do not form part of the net asset value of the Company and 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 company.

##### *Participating shares*

The issued participating share capital is at all times equal to the net asset value of the Company. The movement in the number of participating shares for the financial year ended 31 December 2015 and for the period ended 31 December 2014 are as follows:

	1 January 2015 to 31 December 2015	1 May 2014 to 31 December 2014
	Class A	Class A
<b>Issued and Fully Paid Redeemable Participating Shares</b>		
Opening Balances	8,546,004	-
Redeemable participating shares issued	5,740,457	8,546,004
Redeemable participating shares redeemed	(958,499)	-
Closing Balances	<u>13,327,962</u>	<u>8,546,004</u>
Net asset value per share	9.70	10.53

The relevant movements in share capital are shown in the Statements of Changes in Net Assets Attributable to Holders of Participating Shares. The Company invests the proceeds from the issue of shares in investments while maintaining sufficient liquidity to meet redemptions when necessary.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2015**

**6. Fees and Expenses**

***Investment Management Fee***

The Investment Manager will receive a management fee in respect of each class for management services to the Fund, equal to an annualised rate of up to 0.50% of the NAV attributable to each class. The Management Fee is accrued daily and paid monthly, in arrears.

During the year, the Investment Manager earned Investment management fee of US\$445,192 (2014: US\$104,138). There was Management fee waiver of US\$96,813 (2014: US\$27,475) in respect of the Expense Cap detailed below. It was netted against the Investment management fee.

***Expense Cap***

The Investment Manager has agreed to limit the Capped Expenses to no more than 0.25% per annum of the NAV of the Fund (the "Expense Cap"), determined as of the end of each calendar month, and the Investment Manager will absorb any Capped Expenses in excess of the Expense Cap by reimbursing the Fund after the end of each calendar month (or, more frequently, if applicable) for such Capped Expenses. For the avoidance of doubt, the Fund will pay all of the Uncapped Expenses and the Uncapped Expenses will not be subject to the Expense Cap. Both the Capped and Uncapped Expenses are defined in Supplement No. 1 to the Prospectus. Both the Capped and Uncapped Expenses are defined in Supplement No. 1 to the Prospectus.

***Administration fee***

SEI Investments - Global Fund Services Limited, the Administrator, is entitled to receive out of the net assets of the Sub-Fund an annual fee.

The Administrator will also be entitled to receive certain other fees, including for financial reporting services in respect of the Company and for each Fund in respect of transfer agency services in respect of the relevant class of Shares.

During the year, the Administrator earned administration fees of US\$80,137 (2014: US\$18,745) and at 31 December 2015 US\$8,992 (31 December 2014: US\$18,745) remained payable to the Administrator.

***Depositary fee***

SEI Investments Trustee and Custodial Services (Ireland) Limited, the Depositary, is entitled to receive out of the net assets of the Sub-Fund an annual trustee fee.

The Depositary will also be paid by the Company out of the assets of the relevant Fund for transaction fees (which will not exceed normal commercial rates) and fees and reasonable out-of-pocket expenses of any sub-depositary appointed by the Depositary.

During the year, the Depositary earned fees of US\$14,707 (2014: US\$12,496) and at 31 December 2015 US\$2,079 (31 December 2014: US\$12,496) remained payable to the Depositary.

***Transaction fee***

The Company incurred transaction fees throughout the period. Transaction costs include all incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. All transaction costs are recognised in the profit and loss account and are included in Net Gains and Losses on Financial Instruments at Fair Value.

During the year, the Sub-Fund incurred transaction fees of US\$16,009 (2014: US\$22).

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2015**

**6. Fees and Expenses (continued)**

*Auditors' remuneration*

	<b>1 January 2015 to 31 December 2015</b>	<b>1 May 2014 to 31 December 2014</b>
	<b>Eur Value</b>	<b>Eur Value</b>
<b>Deloitte</b>		
Audit of individual company accounts	10,000	8,750

**7. Other Expenses**

	<b>1 January 2015 to 31 December 2015</b>	<b>1 May 2014 to 31 December 2014</b>
	<b>US\$</b>	<b>US\$</b>
Bank Charges	1,131	-
Investor Service charge	140	
Shareholder Servicing Fees	45	29
Financial Regulator Fee	2,408	266
Company secretarial and registered office fees	31,076	7,407
Out of pocket fees	5,001	1,192
Irish stock exchange fees	2,526	602
Organisational costs	94,743	22,583
FSA fee	1,119	-
KIID*	7	1,813
	<u>138,195</u>	<u>33,892</u>

\*Key Investor Information Document

**8. Directors' Remuneration**

For the year ended 31 December 2015 the total Directors' remuneration was US\$40,398 (2014: US\$9,629) and at 31 December 2015 US\$16,271 (31 December 2014: US\$9,629) remained payable to the Directors.

**9. Related and Connected Party Transactions**

The Investment Manager has earned investment management fees, the specific details of which are contained in Note 6.

SEI Investments - Global Fund Services Limited acts as Administrator and Transfer Agent to the Company.

SEI Investments Trustee and Custodial Services (Ireland) Limited acts as Depositary to the Company.

Details of the fees earned by the Administrator and Depositary to the Company are contained in Note 6.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2015**

**10. Distributions**

The Directors did not declare any dividends for the year ended 31 December 2015 or the period ended 31 December 2014.

**11. Risks associated with financial instruments**

The Sub-Fund has exposure to the following specific risks from financial instruments:

- market risk (including currency risk, interest rate risk and price risk);
- credit risk; and
- liquidity risk.

**(a) Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market variables such as interest rates, foreign exchange rates and investment prices. The likelihood of these types of adverse changes and the extent to which they affect the business of the Sub-Fund cannot always be accurately predicted.

*(i) Price Risk*

Price risk is the risk that the value of an investment may fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment or all factors affecting all instruments traded in the market.

The Investment Manager attempts to mitigate this risk by maintaining a diverse portfolio. As of 31 December 2015 the Sub-Fund had 159 (2014: 117) positions with the top five being less than 12% (2014: 14%) of net assets.

The Sub-Fund also attempts to mitigate risk by diversifying its investments across multiple industries. As of 31 December 2015, the Sub-Fund was invested in 9 (2014: 14) industries with the highest industry exposure being less than 20% (2014: 37%) of net assets.

If the price of the equity investment in the Sub-Fund's portfolio as at 31 December 2015 increased by 10% (2014: 10%), this would have resulted in an increase of US\$12.77 million (2014: US\$8.95 million) in the net assets of the Sub-Fund. A decrease would have resulted in an equal but opposite movement. 10% is deemed a reasonable estimate of the price movements in the portfolio.

The Investment Manager attempts to mitigate this risk by maintaining a diversified portfolio.

*(ii) Currency Risk*

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. As at 31 December 2015 and 31 December 2014, the Sub-Fund doesn't hold any securities or other investments denominated in currencies other than the functional currency of the Company.

*(iii) Interest Rate Risk*

The Company has little exposure to interest rate risk. The Company has no exposure to interest rate sensitive instruments such as fixed income securities. The cash balances held, while subject to interest rate risk, are a small fraction of the total assets of the Company.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2015**

**11. Risks associated with financial instruments (continued)**

**(b) Liquidity Risk**

This is the risk that a lack of a market in certain portfolio securities could prevent the Sub-Fund from liquidating unfavourable positions or prevent the Sub-Fund from funding redemption requests from existing shareholders. At the end of the period, the Sub-Fund's investments are all readily realisable (within one month).

As at 31 December 2015 and 31 December 2014, there were no financial liabilities at fair value through profit or loss.

The following tables detail the Sub-Fund's remaining contractual maturity for its financial liabilities as at 31 December 2015 and 31 December 2014. All Financial Liabilities are repayable in less than one month.

<b>31 December 2015</b>	<b>Less than 1 month US\$</b>	<b>1 month to 3 months US\$</b>	<b>3 months to 12 months US\$</b>	<b>Total US\$</b>
<b>Liabilities</b>				
Investment management fee payable	39,231	-	-	39,231
Audit fee payable	4,783	-	-	4,783
Administration fee payable	8,992	-	-	8,992
Depository fee payable	2,079	-	-	2,079
Directors' fee payable	16,271	-	-	16,271
Other accrued expenses	141,855	-	-	141,855
Securities purchased payable	379,615	-	-	379,615
Redeemable participating shares (based on dealing NAV)	129,329,172	-	-	129,329,172
<b>Total Liabilities</b>	<b>129,921,998</b>	<b>-</b>	<b>-</b>	<b>129,921,998</b>

<b>31 December 2014</b>	<b>Less than 1 month US\$</b>	<b>1 month to 3 months US\$</b>	<b>3 months to 12 months US\$</b>	<b>Total US\$</b>
<b>Liabilities</b>				
Investment management fee payable	104,138	-	-	104,138
Audit fee payable	3,241	-	-	3,241
Administration fee payable	18,745	-	-	18,745
Depository fee payable	12,496	-	-	12,496
Directors' fee payable	9,629	-	-	9,629
Legal fee payable	1,505	-	-	1,505
Other accrued expenses	33,893	-	-	33,893
Redeemable participating shares (based on dealing NAV)	89,972,605	-	-	89,972,605
<b>Total Liabilities</b>	<b>90,156,252</b>	<b>-</b>	<b>-</b>	<b>90,156,252</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2015**

**11. Risks associated with financial instruments (continued)**

**(c) Credit Risk**

The Sub-Fund currently holds its assets and its cash and cash equivalents with BNP Paribas (the “Sub-Depository”), who held a credit rating as at 31 December 2015 from Moody’s of A1 (2014: A1). Insolvency or bankruptcy of the Depository or the Sub-Depository may cause the Company’s rights with respect to its assets held by the Depository or the Sub-Depository to be delayed or limited. There has been no change in the rating of the Sub-Depository since 31 December 2015.

For fair value measurements recognised in the Statement of Financial Position, IFRS 13 “Fair Value Measurement” requires certain fair value disclosures for each class of financial instruments. For this purpose, IFRS 13 requires an entity to classify fair value measurements into a fair value hierarchy, with the following levels, by reference to the observability and significance of the inputs used in the making the measurement.

**12. Fair Value Estimation**

For a fair value measurement of a financial instrument to be classified in Level 1 of the hierarchy, it should be observable directly in an active market for the same instrument.

Fair value measurement in Levels 2 and 3 of the hierarchy are determined using valuation techniques. The level in the hierarchy into which a financial instrument’s fair value measurement is classified in its entirety and is determined by reference to the observability and significance of the inputs used in the valuation model. Valuation techniques often incorporate both observable inputs and unobservable inputs.

Fair value measurements determined using valuation techniques are classified in their entirety in either Level 2 or 3 based on the lowest level input that is significant to the measurement. That is, if the model uses both observable and unobservable inputs, the fair value measurement is classified in Level 3 if the unobservable inputs are significant to their fair value measurement in its entirety. This assessment is made independently of the number or the quality of the Level 2 inputs used in the model.

Differentiating between Level 2 and Level 3 fair value measurements, i.e., assessing whether inputs are observable and whether the unobservable inputs are significant, may require judgement and a careful analysis of the inputs used to measure fair value, including consideration of factors specific to the asset or liability.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2015**

**12. Fair Value Estimation (Continued)**

The fair value hierarchy of the Company's financial assets and liabilities, measured at fair value at 31 December 2015 and 31 December 2014. All Financial asset and liabilities are all measured at level 1.

There were no transfers between levels for securities held during the year ended 31 December 2015 or the period ended 31 December 2014.

Policies regarding fair value measurement are included in Note 2 to the Financial Statements.

**13. Soft Commissions**

The Fund did not enter into any soft commission arrangements for the year ended 31 December 2015 or the period ended 31 December 2014. The underlying managers of the investments held by the Fund may have soft commission arrangements with their brokers.

**14. Subsequent Events**

As at the date of approval of the financial statements there have been no subsequent events which would require additional disclosure.

**15. Foreign Exchange rates**

As of 31 December 2015 and 31 December 2014 there were no exchange rates used in the preparation of these financial statements.

**16. Approval of Financial Statements**

The financial statements were approved and authorised for issue by the Directors on 22 April 2016.

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**SCHEDULE OF SIGNIFICANT CHANGES IN THE PORTFOLIO**  
**For the financial year ended 31 December 2015**
**LSV Funds Plc**

	<b>31 December 2015</b>
<b>Major Purchases</b>	<b>US\$ Value</b>
Johnson & Johnson	4,109,822
CIT Group Inc	1,438,994
Apple Inc	1,276,156
AT&T Inc	1,266,033
LyondellBasell Industries NV	1,259,641
Cisco Systems Inc	1,230,808
Exxon Mobil Corp	1,140,907
United Technologies Corp	1,121,755
Target Corp	1,111,084
JPMorgan Chase & Co	1,102,631
General Motors Co	1,073,569
Gilead Sciences Inc	1,058,817
Hancock Holding Co	1,044,954
Express Scripts Holding Co	1,024,430
Bank of America Corp	993,032
Pfizer Inc	985,354
Tyson Foods Inc	970,160
HollyFrontier Corp	969,856
Qualcomm Inc	965,287
Cal-Maine Foods Inc	943,406

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**SCHEDULE OF SIGNIFICANT CHANGES IN THE PORTFOLIO (CONTINUED)**  
**For the financial year ended 31 December 2015**
**LSV Funds Plc**

<b>Major Sales</b>	<b>US\$ Value</b>
Wells Fargo & Co	1,541,403
Chevron Corp	1,154,333
Conagra Food Inc	1,137,585
Chubb Corp	897,268
Amdocs Ltd	771,225
Baxter International Inc	754,575
Kroger Co	699,021
ConocoPhillips	679,363
Kellogg Co	641,035
EMC Corp/MA	583,363
Aetna Inc	570,185
Anthem Inc	550,461
Pfizer Inc	519,628
Raytheon Co	476,140
United Therapeutics Corp	456,617
Everest Re Group Ltd	418,604
Partnerre Ltd	387,291
L-3 Communications Holdings Inc	372,460
Citigroup Inc	362,576
Ensign Group Inc	342,974