



Future Generation Global Investment Company Limited
ABN 52 606 110 838

APPENDIX 4D
HALF YEAR REPORT
for the half year ended 30 June 2017

RESULTS FOR ANNOUNCEMENT TO THE MARKET

All comparisons for the half year ended 30 June 2016 (unless specified for 31 December 2016)

	up/down	% mvmt	\$'000
Revenue from ordinary activities	down	26.8%	5,985
Profit from ordinary activities before tax	down	48.0%	3,312
Net profit from ordinary activities after tax	down	37.6%	2,925
Total comprehensive income for the period	up	349.2%	10,678

Dividend Information	Cents per share	Franked amount per share	Tax rate for franking
June 2017 dividend cents per share	1.0	1.0	27.5%
FY2016 Final dividend cents per share	1.0	1.0	30%

Dividend dates

Ex-dividend date	17 October 2017
Record date	18 October 2017
Last election date for the DRP	20 October 2017
Payment date	27 October 2017

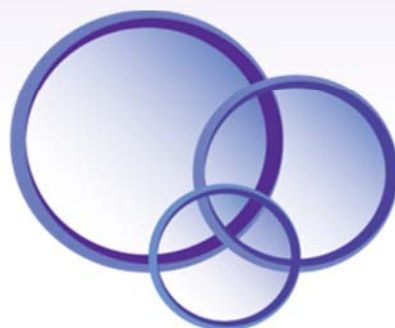
Dividend Reinvestment Plan

The Dividend Reinvestment Plan ('DRP') is in operation and the recommended fully franked dividend of 1.0 cents per share qualifies. Participating shareholders will be entitled to be allotted the number of shares (rounded to the nearest whole number) which the cash dividend would purchase at the relevant issue price. The relevant issue price will be calculated as the VWAP (volume weighted average price) of shares sold on the ASX (on an ex-dividend basis) four trading days from the ex-dividend date inclusive of the ex-dividend date.

Net Tangible Assets ('NTA')	30 Jun 2017	31 Dec 2016
NTA (per share) after tax	\$1.14*	\$1.10

*The NTA figures are not diluted for the outstanding options on issue with an exercise price of \$1.10.

This report is based on the Half Year Financial Report for the six months ended 30 June 2017 which has been subject to independent review by the Auditors, Pitcher Partners. All the documents comprise the information required by Listing Rule 4.2A. This information should be read in conjunction with the Financial Report for the Transitional Period for the six months ended 31 December 2016.



FUTURE GENERATION
GLOBAL INVESTMENT COMPANY

Financial Report
for the half year ended 30 June 2017

Investing in Australia's future generation.

ABN: 52 606 110 838

Future Generation Global Investment Company Limited

The principal activity of the Company is to provide diversified exposure to global equities while also helping to improve the lives of young Australians affected by mental health issues.

Chairman

Belinda Hutchinson AM

Directors

Geoff Wilson
Frank Casarotti
Karen Penrose
Sarah Morgan
Susan Cato

Company Secretaries

Mark Licciardo
Kate Thorley

Investment Committee

Amanda Gillespie (Chair)
Aman Ramrakha
Chris Donohoe
Geoff Wilson
Sean Webster

Chief Executive Officer

Louise Walsh

Auditor

Pitcher Partners

Country of Incorporation

Australia

Registered Office

Level 11, 139 Macquarie Street
Sydney NSW 2000

Contact Details

Postal Address: GPO Box 4658
Sydney NSW 2001

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F: (02) 9247 6855

E: info@futuregeninvest.com.au

W: www.futuregeninvest.com.au

Australian Securities Exchange

Future Generation Global Investment
Company Limited Ordinary Shares (FGG)

Future Generation Global Investment
Company Limited Options (FGGO) expiring 15
September 2017

Share Registry

Boardroom Pty Limited
Level 12, 225 George Street
Sydney NSW 2000

T: (02) 9290 9600

F: (02) 9279 0664

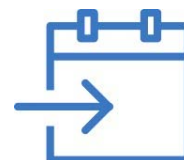
For enquiries relating to
shareholdings, options, dividends
(including participation in the
dividend reinvestment plan and
dividend donation plan) and related
matters, please contact the share
registry.

Future Generation Investment Forum

Melbourne

Thursday 30 November

1.30pm – 3.00pm
Melbourne Convention & Exhibition Centre
1 Convention Centre Place
South Wharf VIC 3006



Future Generation semi-annual Shareholder Presentations

Adelaide

Monday 20 November

12.30pm – 1.30pm
The Playford
120 North Terrace
Adelaide SA 5000

Perth

Tuesday 21 November

12.30pm – 1.30pm
Novotel
221 Adelaide Terrace
Perth WA 6000

Toowoomba

Thursday 23 November

12.30pm – 1.30pm
Empire Theatre
54-56 Neil Street
Toowoomba City QLD 4350

Brisbane

Friday 24 November

12.30pm – 1.30pm
Brisbane Convention & Exhibition
Centre, Cnr Merivale & Glenelg Streets
South Bank QLD 4101

Hobart

Monday 27 November

12.30pm – 1.30pm
Best Western
156 Bathurst Street
Hobart TAS 7000

Canberra

Tuesday 28 November

12.30pm – 1.30pm
The Mecure
Cnr Ainslie & Limestone Avenues
Braddon ACT 2612

Sydney

Wednesday 29 November

2.00pm – 3.00pm
Wesley Centre
220 Pitt Street
Sydney NSW 2000

Melbourne

Thursday 30 November

12.30pm – 1.15pm
Melbourne Convention & Exhibition
Centre, 1 Convention Centre Place
South Wharf VIC 3006

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Directors' Report To Shareholders

For the half year ended 30 June 2017

The Directors present their report together with the financial report of Future Generation Global Investment Company Limited (FGG or the Company) for the half year ended 30 June 2017.

Directors

The following persons were Directors of the Company during the financial period and up to the date of this report:

- Belinda Hutchinson AM, Chairman
- Susan Cato, Non-Executive Director
- Karen Penrose, Non-Executive Director
- Sarah Morgan, Non-Executive Director
- Frank Casarotti, Non-Executive Director
- Geoff Wilson, Non-Executive Director

Principal activity

The principal activity of the Company is to provide diversified exposure to global equities while also helping to improve the lives of young Australians affected by mental health issues.

The Company invests its capital with fund managers who have agreed to provide their services for 0.0% management fees and 0.0% performance fees. The pro bono support of the fund managers, the Board of Directors and service providers means an amount equal to 1.0% of the Company's average monthly net tangible assets for the relevant financial year can be donated as a source of funding for Australian children and youth mental health charities.

There was no significant change in the nature of the activity of the Company during the period or is likely in the future.

Significant changes in state of affairs

In November 2016, FGG announced a change in its financial year end from 30 June to 31 December to better align the reporting periods of the Company to the underlying fund manager distributions. This report covers the half year from 1 January 2017 to 30 June 2017. The comparative data in this report is for the 6 month period from 1 January 2016 to 30 June 2016.

There were no other significant changes in the state of affairs of the Company during the half year ended 30 June 2017.

Operating and financial review

For the six month period ended 30 June 2017, the operating profit before tax and unrealised gains on investments was \$3.3 million (June 2016: \$6.4 million). During the period, the investment portfolio increased 5.0% outperforming the MSCI AC World Index (AUD). This outperformance was achieved with less volatility than the market. Since inception the volatility of the FGG investment portfolio, as measured by its standard deviation was 8.9%, while the index was 10.2%.

The net result after tax and net unrealised gains on investments for the period was a profit of \$10.7 million, representing a 349.2% increase on the prior comparative period, primarily drive by the increase in value of the portfolio over the period. The Net Tangible Assets after tax as at 30 June 2017 was \$1.14 per share compared to \$1.10 per share as at 31 December 2016. These figures have not been diluted for outstanding options on issue.

Early in the period, the performance of some of the fund managers was impacted by the underperformance of Asian markets and strength of the Australian dollar. The Investment Committee subsequently restructured the investment portfolio, removing direct exposure to Asian equities and the associated fund managers. The Company fully redeemed its position in Hunter Hall Global Equities Trust, Eastspring Investments Asian Dynamic Fund, Tribeca Global Return Fund and the Insync Global Titans Fund. Following the restructure, the investment portfolio has outperformed the index, increasing 4.2% over the three month period to 30 June 2017.

At the date of this report the investment portfolio is made up of 13 fund managers with investments in 15 global funds.

The FGG investment portfolio has been structured to provide diversification between three broad equity strategies: long equities, absolute bias, quantitative strategies, with the remainder held in cash. As at 30 June 2017, the portfolio was 54.6% long equities, 32.8% absolute bias, 3.9% quantitative strategies and 8.7% cash.

Directors' Report To Shareholders

For the half year ended 30 June 2017

Fund managers and service providers

We would like to again thank the fund managers and service providers for their outstanding generosity throughout the period. This generosity has allowed the Company to support its designated charities and other not for profit organisations. The value of the fund managers' foregone management and performance fees for the half year period ended 30 June 2017 totalled \$1.55 million and the estimated value of the leading service providers working for the Company on a pro bono basis, totalled \$0.33 million.

Corporate tax rate

On 19 May 2017, the Federal Government enacted laws reducing the corporate tax rate to 27.5% for companies with turnover below \$10 million in the income tax year ended 30 June 2017. The turnover of the Company for the 2017 income tax year is less than \$10 million and therefore, it is eligible for the reduced corporate tax rate of 27.5%. As the turnover of the Company for the 2017 income tax year is under the aggregate turnover threshold for the 2018 income tax year, the maximum franking rate applicable for dividends in the 2018 income year is 27.5%, in line with its reduced corporate tax rate.

There has been no impact to the franked dividend paid by the Company in October 2016 (1.0 cent per share), as a result of the legislation change.

After balance sheet date events

Since the end of the period, the Company has declared a dividend of 1.0 cents per share fully franked to be paid on 27 October 2017.

No other matter or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations Instrument 2016/191 issued by the ASIC, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act 2001 in relation to the review for the half year is set out on page 3 of the financial report.

Signed in accordance with a resolution of the Board of Directors.



Belinda Hutchinson AM
Chairman

Dated in Sydney this 29th day of August 2017

Auditor's Independence Declaration
To the Directors of Future Generation Global Investment Company Limited
A.B.N. 52 606 110 838

In relation to the independent review for the half year ended 30 June 2017, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) No contraventions of any applicable code of professional conduct.

This declaration is in respect of Future Generation Global Investment Company Limited during the period.



Scott Whiddett
Partner

Pitcher Partners
Sydney

29 August 2017

Statement of Comprehensive Income

For the half year ended 30 June 2017

	Notes	30 June 2017	30 June 2016
		\$'000	\$'000
Investment income from ordinary activities			
Interest income		69	39
Distributions received		4,616	6,586
Investment management and performance fee rebates	2	1,276	1,413
Other income		24	142
		5,985	8,180
Expenses			
ASX listing fees		-	-
Share registry maintenance costs		-	-
Directors' fees		-	-
Accounting fees		-	-
Charity donation accrual	3	(1,548)	(1,430)
Foreign exchange losses		(945)	(299)
Share registry transaction costs		(31)	(26)
Executive remuneration		(55)	-
Other expenses		(86)	(46)
ASX CHESS fees		(6)	(7)
Taxation services		(2)	(3)
		(2,673)	(1,811)
Profit before income tax		3,312	6,369
Income tax expense		(387)	(1,678)
Profit after tax for the period attributable to members		2,925	4,691
Other comprehensive income/(loss)			
<i>Items that will not be reclassified to profit or loss</i>			
Net unrealised gains/(losses) on investments taken to equity, net of tax		7,753	(8,976)
Other comprehensive income/(loss) for the period, net of tax		7,753	(8,976)
Total comprehensive income/(loss) for the period		10,678	(4,285)
Earnings per share for profit attributable to the ordinary equity holders of the Company:			
		Cents	Cents
Basic earnings per share		1.06	1.70
Diluted earnings per share		1.06	1.69

The accompanying notes form part of these financial statements

Statement of Financial Position

As at 30 June 2017

	Notes	30 June 2017	31 December 2016
		\$'000	\$'000
ASSETS			
Current assets			
Cash and cash equivalents		27,631	16,605
Trade and other receivables		4,531	675
Other current assets		18	8
Total current assets		32,180	17,288
Non-current assets			
Financial assets at fair value through other comprehensive income	7	289,544	289,991
Intangible assets		7	-
Deferred tax assets		2,349	2,286
Total non-current assets		291,900	292,277
Total assets		324,080	309,565
LIABILITIES			
Current liabilities			
Trade and other payables		75	134
Charity donation accrual	3	3,044	1,496
Current tax liabilities		454	2,008
Total current liabilities		3,573	3,638
Non-current liabilities			
Deferred tax liabilities		4,291	1,108
Total non-current liabilities		4,291	1,108
Total liabilities		7,864	4,746
Net assets		316,216	304,819
EQUITY			
Issued capital	5(A)	302,039	301,320
Reserves	6(A)	14,177	3,499
Total equity		316,216	304,819

The accompanying notes form part of these financial statements

Statement of Changes in Equity

For the half year ended 30 June 2017

	Notes	Issued capital	Investment reserves	Profits reserves	Retained earnings	Total equity
		\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 Jan 2016		299,172	(3,439)	(211)	-	295,522
Net profit for the period		-	-	-	4,691	4,691
Other comprehensive loss, net of tax		-	(8,976)	-	-	(8,976)
Transactions with owners:						
Contributions of equity, net of transaction costs and tax		1,286	-	-	-	1,286
Transfer to profits reserve		-	-	4,691	(4,691)	-
Balance at 30 June 2016		300,458	(12,415)	4,480	-	292,523
Net profit for the period		-	-	-	2	2
Other comprehensive profit, net of tax		-	14,200	-	-	14,200
Transactions with owners:						
Contributions of equity, net of transaction costs and tax		862	-	-	-	862
Dividends paid	4	-	-	(2,768)	-	(2,768)
Transfer to profits reserve	6(A)	-	-	2	(2)	-
Balance at 31 December 2016		301,320	1,785	1,714	-	304,819
Net profit for the period		-	-	-	2,925	2,925
Other comprehensive profit, net of tax		-	7,753	-	-	7,753
Transactions with owners:						
Contributions of equity, net of transaction costs and tax		719	-	-	-	719
Transfer to profits reserve	6(A)	-	-	2,925	(2,925)	-
Balance at 30 June 2017		302,039	9,538	4,639	-	316,216

The accompanying notes form part of these financial statements

Statement of Cash Flows

For the half year ended 30 June 2017

	30 June 2017	30 June 2016
	\$'000	\$'000
Cash flows from operating activities		
Interest received	69	37
Rebate income received	18	15
Income taxes paid	(1,673)	-
Payments for other expenses	(220)	(78)
Net cash used in operating activities	(1,806)	(26)
Cash flows from investing activities		
Payments for financial assets	(6,484)	(10)
Proceeds from sale of financial assets	19,599	-
Payments for purpose of intangible assets	(7)	-
Net cash provided by/(used in) investing activities	13,108	(10)
Cash flows from financing activities		
Shares issued via the exercise of options	669	1,288
Share issue transaction costs	-	(2)
Net cash provided by financing activities	669	1,286
Net increase in cash and cash equivalents	11,971	1,250
Cash and cash equivalents at the beginning of the period	16,605	16,212
Effects of exchange rate changes on cash and cash equivalents	(945)	(299)
Cash and cash equivalents at the end of the period	27,631	17,163
Non-cash investing activities		
Distributions, rebates and equalisation income reinvested	2,041	2,513

The accompanying notes form part of these financial statements

Notes to the Financial Statements

For the half year ended 30 June 2017

1. Summary of significant accounting policies

These interim financial statements and notes for the half year represent those of Future Generation Global Investment Company Limited (FGG or the Company).

The half year financial report was authorised for issue on 29 August 2017 by the Board of Directors.

BASIS OF PREPARATION

These interim financial statements for the half year reporting period ended 30 June 2017 are general purpose financial statements and have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *Interim Financial Reporting*, Australian Accounting Interpretations, and other authoritative pronouncements of the Australian Accounting Standards Board.

These interim financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Financial Report for the Transitional Period for the six months ended 31 December 2016 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Except for cashflow information, the interim financial statements have been prepared on an accruals basis, and are based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The financial statements of FGG also comply with IAS 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board (IASB).

In accordance with ASIC Corporations (rounding in financial reports) Instrument 2016/191, the amounts in the financial report have been rounded to the nearest thousand dollars, or in certain cases, the nearest dollar.

There are no new and revised accounting requirements significantly affecting the half year financial statements. The accounting policies have been consistently applied by the Company throughout the period and are consistent with those applied in the Financial Report for the Transitional Period for the six months ended 31 December 2016, which was the Company's most recent Annual Financial Report.

2. Investment income from ordinary activities

As at 30 June 2017, the investment portfolio was made up of 13 global fund managers with investments in 15 unlisted unit trusts.

Where available, the Company has invested in unit classes that have zero management and performance fees. The unit trusts with a zero fee unit class are the Avenir Value Fund, Ironbridge Global Focus Fund, Neuberger Berman Systematic Global Equity Trust and Manikay Global Opportunistic Fund.

The aggregated amount of management and performance fees foregone by the unit trusts with a zero fee unit class for the six months ended 30 June 2017 was \$0.27 million (June 2016: \$0.23 million).

The remaining investments are made in unit trusts with global fund managers that normally charge management and performance fees. These fund managers have rebated the fees charged. The aggregate amount of management and performance fees rebated to the Company was \$1.28 million for the six months ended 30 June 2017 (June 2016: \$1.41 million).

The estimated value of the other pro bono services provided to the Company for the six months ended 30 June 2017 totalled \$0.33 million (June 2016: \$0.29 million).

Notes to the Financial Statements

For the half year ended 30 June 2017

3. Charity donation accrual

The Company intends to donate a percentage of its assets to Australian charities supporting children and youth mental health. The donation is accrued monthly and is expected to be equal to 1% of the Company's average monthly net tangible assets. All donations are made to charities with Deductible Gift Recipient ("DGR") status. The donation represents a tax deduction for FGG.

	30 June 2017	30 June 2016
	\$'000	\$'000
Charity donation accrual for the period 1 July 2016 to 30 June 2017, to be paid in October 2017 (2016: Inaugural charity donation paid in October 2016*)	3,044	2,420
Total donation	3,044	2,420

For the six months ended 30 June 2017, the charity donation accrued was \$1.55 million (2016: \$1.43 million).

*The inaugural charity donation is for the period from commencement of operations (10 September 2015) to 30 June 2016.

4. Dividends

DIVIDENDS NOT RECOGNISED DURING THE PERIOD

	30 June 2017	30 June 2016
	\$'000	\$'000
Since the end of the half year, the Directors have declared a fully franked dividend of 1.0 cents per share payable on 27 October 2017	2,778	2,768

5. Issued capital

(A) PAID-UP CAPITAL

	30 June 2017	31 December 2016
	\$'000	\$'000
277,817,889 ordinary shares fully paid (December 2016: 277,164,069)	302,039	301,320

Holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at shareholder meetings; otherwise each member present at a meeting or by proxy has one vote on a show of hands. In the event of the winding up of the Company, ordinary shareholders rank after creditors and share in any proceeds on winding up in proportion to the number of shares held.

(B) OPTIONS

	30 June 2017	31 December 2016
	No. '000	No. '000
Options outstanding (expiry 15 September 2017)	271,822	272,476

As at 30 June 2017, a total of 653,820 shares had been allotted from the exercise of options for a total consideration of \$719,202.

At the end of the period, a total of 271,822,494 options remain on issue and can be exercised at \$1.10 any time on or before 15 September 2017.

Notes to the Financial Statements

For the half year ended 30 June 2017

5. Issued capital (continued)

(C) MOVEMENTS IN ORDINARY SHARE CAPITAL

	30 June 2017	31 December 2016
Share capital	\$'000	\$'000
Balance at the beginning of the period	301,320	300,458
653,820 ordinary shares issued from the exercise of options	719	-
493,634 ordinary shares issued from the exercise of options	-	543
296,051 ordinary shares issued on 31 October 2016 under a Dividend Reinvestment Plan	-	319
Closing balance	302,039	301,320

(D) MOVEMENTS IN OPTIONS

	30 June 2017	31 December 2016
Options	No. '000	No. '000
Balance at the beginning of the period	272,476	272,970
Options exercised	(654)	(494)
Closing balance	271,822	272,476

6. Profits reserve and retained earnings

(A) PROFITS RESERVE

	30 June 2017	31 December 2016
	\$'000	\$'000
Profits reserves	4,639	1,714

The profits reserve is made up of amounts transferred from current year profits and are preserved for future dividend payments.

Movements in the profits reserve were as follows:

	30 June 2017	31 December 2016
Profits reserve	\$'000	\$'000
Opening balance	1,714	4,480
Dividends paid	-	(2,768)
Transfer of profits during the period	2,925	2
At reporting date	4,639	1,714

Notes to the Financial Statements

For the half year ended 30 June 2017

6. Profits reserve and retained earnings (continued)

(B) RETAINED EARNINGS

Movements in retained earnings were as follows:

	30 June 2017	31 December 2016
Retained earnings	\$'000	\$'000
Opening balance	-	-
Net profit for the period	2,925	2
Transfer to profits reserve	(2,925)	(2)
At reporting date	-	-

7. Fair value measurements

The Company measures and recognises financial assets at fair value through other comprehensive income on a recurring basis.

The Company has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

(A) FAIR VALUE HIERARCHY

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy (consistent with the hierarchy applied to financial assets and financial liabilities):

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

(i) Recognised fair value measurements

The following table presents the Company's financial assets and liabilities measured and recognised at fair value at 30 June 2017 on a recurring basis:

At 30 June 2017	Level 1	Level 2	Level 3	30 June 2017
	\$'000	\$'000	\$'000	\$'000
Unlisted unit trusts	-	289,544	-	289,544
Total financial assets	-	289,544	-	289,544

At 31 December 2016	Level 1	Level 2	Level 3	31 December 2016
	\$'000	\$'000	\$'000	\$'000
Unlisted unit trusts	-	289,991	-	289,991
Total financial assets	-	289,991	-	289,991

There were no transfers between levels for recurring fair value measurements during the period. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Disclosed fair values

For all financial instruments, other than those measured at fair value, their carrying value approximates fair value.

The carrying amounts of trade and other receivables and payables are assumed to approximate their fair values due to their short-term nature.

Notes to the Financial Statements

For the half year ended 30 June 2017

7. Fair value measurements (continued)

(B) VALUATION TECHNIQUES USED TO DETERMINE FAIR VALUE

Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

The Board of Directors value the Company's investments in unlisted unit trusts using the unit prices derived from the unaudited net asset backing of the unlisted unit trusts at the end of the period.

8. Income tax

On 19 May 2017, the Federal Government enacted laws reducing the corporate tax rate to 27.5% for companies with turnover below \$10 million in the income tax year ended 30 June 2017. The turnover of the Company for the 2017 income tax year is less than \$10 million and therefore, it is eligible for the reduced corporate tax rate of 27.5%. As the turnover of the Company for the 2017 income tax year is under the aggregate turnover threshold for the 2018 income tax year, the maximum franking rate applicable for dividends in the 2018 income year is 27.5%, in line with its reduced corporate tax rate.

There has been no impact to the franked dividend paid by the Company in October 2016 (1.0 cent per share), as a result of the legislation change.

The effective tax rate of the Company for the period was 11.7% (2016: 26.3%). The reduction in the effective tax rate is attributable to the over provision for the 2016 income tax year, in addition to foreign income tax offsets received on trust distributions during the period.

9. Segment information

The Company has one reporting segment. The Company is engaged solely in investing in unlisted unit trusts and deriving income from cash and cash equivalents.

10. Contingencies

The Company had no contingent liabilities at 30 June 2017 (December 2016: nil).

11. Commitments

The Company intends to donate a percentage of its assets to Australian charities supporting children and youth mental health. The donation is accrued monthly and is expected to be equal to 1% of the Company's average monthly net tangible assets. As at 30 June 2017, the commitment is \$3,044,287 (December 2016: \$1,496,233).

The donation accrued at the end of the period is expected to be paid in October 2017.

12. Events occurring after the reporting period

Since the end of the half year, the Board declared a dividend of 1.0 cents per share fully franked to be paid on 27 October 2017.

No other matter or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

Directors' Declaration

For the half year ended 30 June 2017

The Directors of Future Generation Global Investment Company declare that:

- 1) The financial report as set out in pages 4 to 12, are in accordance with the *Corporations Act 2001*, including:
 - a) complying with Australian Accounting Standard AASB 134: *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - b) giving a true and fair view of the financial position of the Company as at 30 June 2017 and of its performance for the half year ended on that date.
- 2) In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors.



Belinda Hutchinson AM
Chairman

Dated in Sydney this 29th day of August 2017

**Independent Auditor's Review Report
to the Members of Future Generation Global Investment Company Limited
A.B.N. 52 606 110 838**

Report on the Half Year Financial Report

We have reviewed the accompanying half year financial report of Future Generation Global Investment Company Limited ("the Company"), which comprises the statement of financial position as at 30 June 2017, statement of comprehensive income, statement of changes in equity and statement of cash flows for the half year ended on that date, a summary of significant accounting policies, other selected explanatory notes and the Directors' Declaration.

Directors' Responsibility for the Half Year Financial Report

The Directors of the Company are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *"Review of a Financial Report Performed by the Independent Auditor of the Entity"*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporation Act 2001* including: giving a true and fair view of the Company's financial position as at 30 June 2017 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *"Interim Financial Reporting"* and the *Corporations Regulations 2001*. As the auditor of Future Generation Global Investment Company Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of the half year financial report consists of making enquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of Future Generation Global Investment Company Limited is not in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the half year ended on that date; and
- (ii) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.



Scott Whiddett
Partner



Pitcher Partners
Sydney

Dated in Sydney, this 29th day of August 2017

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