

Aurum Isis Institutional Dollar Fund Ltd.

Annual Report and Audited Financial Statements

For the year ended 31 December 2013

Aurum Isis Institutional Dollar Fund Ltd.

Annual Report and Audited Financial Statements Contents

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Aurum Isis Institutional Dollar Fund Ltd.

Directors and service providers

Company	<p>Aurum Isis Institutional Dollar Fund Ltd. Aurum House 35 Richmond Road Hamilton HM08 Bermuda</p> <p>Tel: (1) (441) 292 6952 Fax: (1) (441) 295 4164</p>
Directors	<p>Dudley R Cottingham S.Arthur Morris (Retired October 9, 2013) Tina Gibbons Kevin Gundle Adam Hopkin Christopher C Morris Anabel Mackie* Bronwyn Wright* (Appointed October 9, 2013) Meliosa O’Caoimh* W. Roger Davidson* (Retired October 9, 2013)</p>
<p>*Non-Executive Directors</p>	
Custodian	<p>Northern Trust Fiduciary Services (Ireland) Limited George’s Court 54 - 62 Townsend Street Dublin 2 Ireland</p> <p>Tel: (353) (1) 542 2000 Fax: (353) (1) 542 2920</p>
Promoter and Investment Advisor	<p>Aurum Fund Management Ltd. Aurum House 35 Richmond Road Hamilton HM08 Bermuda</p> <p>Tel: (1) (441) 292 6952 Fax: (1) (441) 295 4164</p>
Administrator	<p>Northern Trust International Fund Administration Services (Ireland) Limited George’s Court 54 - 62 Townsend Street Dublin 2 Ireland</p> <p>Tel: (353) (1) 542 2000 Fax: (353) (1) 542 2920</p>

Aurum Isis Institutional Dollar Fund Ltd.

Directors and service providers (continued)

**Bermuda
Administrator,
Registrar and
Secretary**

Global Fund Services Ltd.
Century House
16 Par-la-Ville Road
Hamilton HM 08
Bermuda

Tel: (1) (441) 292 7478
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**Independent
Auditor**

KPMG
Chartered Accountants
1 Harbourmaster Place
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**Sponsoring
Broker for
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Exchange**

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**Legal
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Matters of
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Aurum Isis Institutional Dollar Fund Ltd.

Directors' Report

The Directors have the pleasure to present the audited annual accounts of Aurum Isis Institutional Dollar Fund Ltd. (the "Company") for the year ended 31 December 2013 and report as set out herein in respect of matters required by the Irish Stock Exchange and Bermuda Stock Exchange listing regulations.

At 31 December 2013, the Net Asset Value per Participating Share was US\$1,095.88 (2012: US\$1,025.46)

No dividends have been declared in the year ended 31 December 2013 (2012: US\$Nil) and the Directors do not recommend the payment of any dividends for the year ended 31 December 2013 (2012: US\$Nil).

The Company is a Feeder Fund which invests solely in the Participating Shares of Aurum Isis Fund Ltd. (the "Master Fund"). The Company's investment objective is to achieve long term capital growth by investing its assets in Participating Shares of the Master Fund.

The annual report and audited financial statements of the Master Fund for the year ended 31 December 2013 are sent to all Shareholders with the accounts of the Company.



Dudley R Cottingham
Director

24 April 2014



KPMG
Audit
1 Harbourmaster Place
IFSC
Dublin 1
Ireland

Independent Auditor's Report to the Members

We have audited the accompanying financial statements of Aurum Isis Institutional Dollar Fund Ltd. (the "Company") for the year ended 31 December 2013, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Net Assets Attributable to Holders of Participating Shares, the Statement of Cash Flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

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

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2013, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
International Financial Services Centre
Dublin 1
Ireland
24 April 2014

Aurum Isis Institutional Dollar Fund Ltd.

Portfolio Statement as at 31 December 2013

	31 December 2013			31 December 2012		
	Nominal Holding	Fair Value US\$	% of NAV	Nominal Holding	Fair Value US\$	% of NAV
Aurum Isis Fund Ltd.	407,985	109,282,867	100.02	367,625	92,506,030	99.83
Other Assets		91,251	0.08		153,373	0.17
Total Assets		109,374,118	100.10		92,659,403	100.00
Other Liabilities		(116,195)	(0.10)		-	-
Net Assets		109,257,923	100.00		92,659,403	100.00

The accompanying notes form part of these financial statements.

Aurum Isis Institutional Dollar Fund Ltd.

Statement of Comprehensive Income for the year ended 31 December 2013

2012		Notes	2013
US\$			US\$
	Gains from financial assets at fair value through profit or loss	2	
600,516	Other income		1,177,799
2,135,702	Net unrealised gain on investments		6,207,743
-	Net realised capital gain on investments		3,278
2,736,218	Total gains from financial assets at fair value through profit or loss		7,388,820
	Expenses	2	
45,302	Incentive fee		790,258
-	Net interest expense		42
45,302	Operating expenses		790,300
	Change in net assets attributable to holders of Participating		
2,690,916	Shares resulting from operations		6,598,520

The accompanying notes form part of these financial statements.

Aurum Isis Institutional Dollar Fund Ltd.

Statement of Financial Position as at 31 December 2013

2012 US\$		Notes	2013 US\$
Assets			
Financial assets at fair value through profit or loss			
92,506,030	Investments at fair value	2	109,282,867
Loans and receivables			
77,166	Other debtors		91,251
Cash and cash equivalents			
76,207	Cash and cash equivalents	2	-
92,659,403	Total Assets		109,374,118
Liabilities			
Financial liabilities measured at amortised cost			
	- Bank overdraft	2,5	16,097
	- Incentive Fee		100,098
Total Liabilities (excluding amounts attributable to holders			
	- of Participating Shares)		116,195
Net Assets attributable to holders of Participating and Sponsor			
92,659,403	Shares	4	109,257,923
92,659,401	Net Assets attributable to holders of Participating Shares	6	109,257,921
2	Net Assets attributable to holders of Sponsor Shares	4	2
90,358.22	Participating Shares outstanding (number of shares)	4	99,698.78
1,025.46	Net Asset Value per Participating Share	6	1,095.88

These financial statements were approved by the Directors on 24 April 2014 and signed on their behalf by:



D.R. Cottingham

Director



C.C. Morris

Director

The accompanying notes form part of these financial statements.

Aurum Isis Institutional Dollar Fund Ltd.

Statement of Changes in Net Assets Attributable to Holders of Participating Shares for the year ended 31 December 2013

	Total US\$
Balance at 1 January 2013	92,659,401
Change in net assets attributable to holders of Participating Shares resulting from operations	6,598,520
Subscriptions during the year	10,000,000
Balance at 31 December 2013	109,257,921
Balance at 1 January 2012	49,838,505
Change in net assets attributable to holders of Participating Shares resulting from operations	2,690,916
Subscriptions during the year	40,129,980
Balance at 31 December 2012	92,659,401

The accompanying notes form part of these financial statements.

Aurum Isis Institutional Dollar Fund Ltd.

Statement of Cash Flows for the year ended 31 December 2013

	2012 US\$		2013 US\$
		Cash flows from operating activities	
		Change in net assets attributable to holders of participating	
	2,690,916	shares resulting from operations	6,598,520
	(40,614,932)	Purchase of investments	(10,625,529)
		- Proceeds from sales of investments	59,713
		Adjustment for non cash items and working capital	
	(2,135,702)	Net unrealised gain on investments	(6,207,743)
		- Net realised gain on investments	(3,278)
		Changes in operating assets and liabilities	
	(35,662)	Increase in debtors	(14,085)
		- Increase in creditors	100,098
	(40,095,380)	Net cash outflow from operating activities	(10,092,304)
		Cash flows from financing activities	
	40,129,980	Issue of shares	10,000,000
	40,129,980	Net cash inflow from financing activities	10,000,000
	34,600	Net increase/(decrease) in cash and cash equivalents	(92,304)
	41,607	Cash and cash equivalents at the beginning of the year	76,207
	76,207	Cash and cash equivalents at the end of the year	(16,097)
		Supplementary Information	
		- Net interest paid	(42)

The accompanying notes form part of these financial statements.

Aurum Isis Institutional Dollar Fund Ltd.

Notes to the Financial Statements for the year ended 31 December 2013

1 General

Aurum Isis Institutional Dollar Fund Ltd. (the “Institutional Dollar Fund” or the “Company”) was incorporated in Bermuda on 27 January 2011 under the Companies Act 1981 as amended and acts as an investment company. Shares of the Institutional Dollar Fund are denominated in US dollars. The Institutional Dollar Fund is one of nine Feeder Funds (the “Feeder Funds”) comprising the Institutional Dollar Fund, Aurum Isis Dollar Fund Ltd. (the “Dollar Fund”), Aurum Isis Swiss Franc Fund Ltd. (the “Swiss Franc Fund”), Aurum Isis Sterling Fund Ltd. (the “Sterling Fund”), Aurum Isis Institutional Sterling Fund Ltd. (the “Institutional Sterling Fund”), Aurum Isis Euro Fund Ltd. (the “Euro Fund”), Aurum Isis Institutional Euro Fund Ltd. (the “Institutional Euro Fund”), Aurum Isis Australian Dollar Fund Ltd. (the “Australian Dollar Fund”) and Aurum Isis Japanese Yen Fund Ltd. (the “Japanese Yen Fund”) that invest in Aurum Isis Fund Ltd. (the “Master Fund”). The other Feeder Funds have US dollar, Swiss franc, sterling, euro, Australian dollar and Japanese yen denominated shares respectively. The Institutional Dollar Fund is listed on the Irish and Bermuda Stock Exchanges.

The Feeder Funds must solely invest into Participating Shares of the Master Fund, except in the case of the Swiss Franc, Sterling, Institutional Sterling, Euro, Institutional Euro, Australian Dollar and Japanese Yen Funds in respect of currency hedging. The Participating Shares of the Master Fund are valued in US dollars. The Swiss Franc, Sterling, Institutional Sterling, Euro, Institutional Euro, Australian Dollar and Japanese Yen Funds whilst investing into US dollar denominated Participating Shares of the Master Fund will, by appropriate currency hedging, seek to protect the value of their shares in Swiss franc, sterling, euro, Australian dollar and Japanese yen terms irrespective of movements in currency values between the US dollar and their respective currencies. The Master Fund pays the fees of the Administrators, Custodian, the Investment Advisor, audit, formation and minor out of pocket expenses and Directors’ fees of all funds but subject to an adjustment as explained in Note 3 below. Each Fund will otherwise bear its own costs and liabilities.

The Company’s investment objective is to achieve long term capital growth by investing in the Participating Shares of the Master Fund. The annual report and audited financial statements of the Master Fund for the year ended 31 December 2013 are attached and should be read in conjunction with these financial statements.

The audited financial statements were approved by the Board of Directors on 24 April 2014.

2 Principal Accounting Policies

The principal accounting policies which have been applied are set out below.

Statement of Compliance

The financial statements have been prepared as set out in International Financial Reporting Standards (“IFRS”) and interpretations adopted by the International Accounting Standards Board (“IASB”).

Basis of Preparation

The financial statements are presented in the currency of the primary economic environment in which the Company operates, which is US dollar, reflecting the fact that the redeemable Participating Shares are issued in US dollars and the Company’s operations are primarily conducted in US dollars. They are prepared on a fair value basis for financial assets and financial liabilities at fair value through profit or loss. All other assets and liabilities are stated at amortised cost. The net assets attributable to holders of Participating Shares are stated at the present value of the redemption amount.

The accounting policies have been applied consistently by the Company and are consistent with those used in the previous year, other than for the effect of the new standards adopted.

Aurum Isis Institutional Dollar Fund Ltd.

Notes to the Financial Statements for the year ended 31 December 2013 (continued)

2 Principal Accounting Policies (continued)

Changes in accounting policy and disclosures

The Company has adopted the following new standards and amendments to standards with a date of initial adoption of 1 January 2013:

- Amendments to IFRS 7 Financial Instruments Disclosures effective for annual reporting periods beginning on or after 1 January 2013: The amendments to IFRS 7 introduce new disclosure requirements about transfers of financial assets, including disclosures for financial assets that are not derecognised in their entirety.
- Amendments to IFRS 7 – Offsetting Financial Assets and Financial Liabilities, effective for annual reporting periods on or after 1 January 2013.
- IFRS 10 Consolidated Financial Statements effective for annual reporting periods beginning on or after 1 January 2013. The standard establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. IFRS 10 replaces the consolidation requirements in SIC-12 Consolidation–Special Purpose Entities and IAS 27 Consolidated and Separate Financial Statements.
- IFRS 12 Disclosure of Interests in Other Equities, effective for annual reporting periods beginning on or after 1 January 2013: IFRS 12 Disclosure of Interests in Other Entities is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles.
- IFRS 13 Fair Value Measurement, effective for annual reporting periods beginning on or after 1 January 2013: This standard establishes a single source of guidance for fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between knowledgeable market participants at the measurement date (also referred to as “the exit price”). The standard also provides guidance for fair value determination and introduces consistent requirements for disclosure and measurement.

There are a number of new or revised standards and interpretations that have not been adopted in these financial statements:

- IAS 32 Financial Instruments Presentation, effective 1 January 2014: The amendments provide clarification and disclosure requirements in relation to offsetting rights.
- IFRS 9 Financial Instruments issued in November 2009 (IFRS 9 (2009)) will change the classification of financial assets and liabilities. The standard is not expected to have an impact on the measurement basis and classification of the financial assets since the majority of the Company’s financial assets are measured at fair value through profit or loss. The standard is effective for annual reporting periods beginning on or after 1 January 2018.
- The Investment Entities amendment to IFRS 10, IFRS 12 and IAS 27, effective for annual reporting periods beginning on or after 1 January 2014 with early adoption permitted. The Investment Entities amendments provide an exception to the consolidation requirements in IFRS 10 and require investment entities to measure particular subsidiaries at fair value through profit or loss, rather than consolidate them. The amendments also set out disclosure requirements for investment entities.

The Directors anticipate that the adoption of standards or interpretations currently in issue but not yet effective will have no material impact on the financial statements of the Company in the period of initial application. The Company has not adopted any new standards or interpretations that are not mandatory.

Aurum Isis Institutional Dollar Fund Ltd.

Notes to the Financial Statements for the year ended 31 December 2013 (continued)

2 Principal Accounting Policies (continued)

Investments

The Company, on initial recognition, designates investments at fair value through profit or loss as, in doing so, it results in more relevant information because the investments and related liabilities are managed as a group of financial assets and liabilities and performance is evaluated on a fair value basis and reported to key management personnel on that basis.

The investment in the Master Fund is recorded at the net asset value per share as reported by the administrator of the Master Fund.

Where administrators are unable to provide net asset value per share, the Directors make their own assessment of value based on available information. In determining fair value, the Directors take into consideration where applicable, the impact of suspensions of redemptions, liquidation proceedings, investments in side pockets and any other significant factors.

At the year end, there were no instances wherein the administrator was unable to provide the net asset value per share or that the Directors considered it necessary to make any adjustments to the net asset value of the underlying funds in order to arrive at the fair value.

Investment transactions are recorded on the trade date at which point the Company becomes a party to the specific investment.

Financial assets and financial liabilities are measured initially at the transaction price on the trade date. Transaction costs are expensed immediately. After initial measurement, the Company measures financial instruments which are classified at fair value through profit and loss at their fair value. Changes in fair value are recorded within net gain/(loss) on investments.

Purchases and sales of financial assets and financial liabilities are recognised using trade date accounting. Realised capital gains and losses on investment transactions are determined on the weighted average cost basis and are included in the Statement of Comprehensive Income. Unrealised capital gains and losses from a change in the fair value of investments are recognised in the Statement of Comprehensive Income.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Company has a legal right to set off the recognised amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Under IFRS, Participating Shares are classified as financial liabilities and the format of the Statement of Financial Position reflects this position.

Translation of Foreign Currencies

The results and financial position of the Company are expressed in US dollar which is the functional currency of the Company. Transactions in currencies other than US dollar are recorded at the rate prevailing on the date of the transaction. At each reporting date, monetary items and non-monetary assets and liabilities that are measured at fair value and are denominated in foreign currencies are retranslated at the rate prevailing on the reporting date. Gains and losses arising on retranslation are included in the net profit or loss for the year where investments are classified at fair value through profit or loss.

Interest Income

Interest income is recognised in the Statement of Comprehensive Income for all interest bearing instruments on an effective interest basis.

Aurum Isis Institutional Dollar Fund Ltd.

Notes to the Financial Statements for the year ended 31 December 2013 (continued)

2 Principal Accounting Policies (continued)

Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances held at banks together with bank overdrafts. The bank overdrafts are repayable on demand and form an integral part of the Company's cash management system.

Taxation

The Company has received an undertaking from the Ministry of Finance of Bermuda, under the Exempted Undertakings Tax Protection Act, 1966 exempting the Company from Bermuda income, profit, capital transfer or capital taxes, should such taxes be enacted, until 31 March 2035.

Expenses

All expenses are recognised in the Statement of Comprehensive Income on an accruals basis.

Subsidiary

The Master Fund is not deemed to be a subsidiary of the Company as the Promoter beneficially holds all general voting shares which give the holder the current ability to direct the activities that significantly affect the returns of both the Master Fund and the Company. In accordance with IFRS 10 Consolidated Financial Statements, as the Company does not control the Master Fund, the Master Fund has not been considered a subsidiary.

The Company and Master Fund operate as an integrated structure whereby the Company invests solely into the Master Fund. Total subscriptions made by the Company into the Master Fund during the year ended 31 December 2013 were US\$10,625,529 (2012:US\$40,614,932). As at 31 December 2013 and 31 December 2012 there were no capital commitment obligations and no amounts due to the Master Fund for unsettled purchases. The Company invests into the Master Fund by purchasing the Master Fund's redeemable Participating Shares. The Master Fund allows redemptions of these shares on a monthly basis with a 90 day notification period. Movements in the fair value of the Master Fund's portfolio and corresponding movements in the fair value of the Company may expose the Company to a profit or loss.

Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes; restricted activities, a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, insufficient equity to permit the structured entity to finance its activities without subordinated financial support and financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Company has determined that its investment in the Master Fund represents investments in an unconsolidated structured entity. The Master Fund financed its operations by issuing redeemable shares which were puttable at the holder's option and entitles the holder to a proportional stake in the Master Fund's net assets. The change in fair value of the Company's holding in the Master Fund is included in the statement of comprehensive income in "Gains from financial assets and financial liabilities at fair value through profit or loss".

The Directors believe that the requirements of IFRS 12, in relation to structured entities, are observed by appending the Master Fund financial statements to the Company's financial statements.

Aurum Isis Institutional Dollar Fund Ltd.

Notes to the Financial Statements for the year ended 31 December 2013 (continued)

2 Principal Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in accordance with IFRS 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 year. Actual results could differ from those estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised. The areas of estimates which have the most significant effect on the amounts recognised in the financial statements are disclosed in Notes 8 and 9.

Derecognition of Financial Assets and Liabilities

A financial asset is derecognised when the Company loses control over the contractual rights that comprise that asset. This occurs when the rights are realised, expire or are surrendered. The Company uses the weighted average cost basis to determine the realised gain or loss on derecognition. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

3 Fees

The Company pays the Investment Advisor (i) a monthly advisory fee of 0.083333% (equivalent to approximately 1% per annum) of the Net Asset Value of the Participating Shares of the Company as at the relevant month end; and (ii) a monthly incentive fee of 10% of the increase, if any, of the Net Asset Value of the Participating Shares of the Company in issue at the valuation day over their adjusted value at the Base Date or if higher the value of such shares upon which an incentive fee was last paid (the high water mark date in respect of the Company). The adjusted value at the Base Date shall mean the Net Asset Value of the Participating Shares of the Company in issue at the Base Date increased by a factor of 0.416666% (equivalent to approximately 5% per annum) for each month that has expired since the Base Date. For the purposes of this clause the Base Date is the 31 December immediately prior to the month end and it shall be assumed that all Participating Shares in issue at the valuation day were in issue at the Base Date or the high water mark date as the case may be and had a Net Asset Value equal to the Net Asset Value of the Participating Shares of the Company as at the Base Date or high water mark date as the case may be. These fees are calculated before all Investment Advisor, Administrators and Custodian fees, Directors' fees, audit fees, formation and sundry expenses for the month concerned are deducted and are paid monthly in arrears.

The Master Fund will initially pay the fees set out in the prospectus relating to the Master Fund and the other Feeder Funds but an adjustment will be made to or from the Company by the Investment Advisor to ensure that the fees paid by the Company are as set out above. These amounts received are included in Other income in the Statement of Comprehensive Income on page 6.

The Company pays no other direct fees. Please refer to the accompanying Master Fund financial statements for notes regarding fees paid by the Master Fund.

4 Share Capital

	December 2013 US\$	December 2012 US\$
Authorised share capital of US\$0.002 par value per share		
1,000 Sponsor Shares	2	2
4,999,000 Participating Shares	9,998	9,998
	10,000	10,000

Aurum Isis Institutional Dollar Fund Ltd.

Notes to the Financial Statements for the year ended 31 December 2013 (continued)

4 Share Capital (continued)

All of the Sponsor Shares have been issued to and are beneficially owned by the Investment Advisor. The Sponsor Shares do not carry the right to participate in the assets of the Company in a winding up, except to the extent of repayment of par value paid in cash, nor in any dividends or other distribution of the Company so long as any Participating Shares are in issue.

The Participating Shares are entitled to receive, to the exclusion of the Sponsor Shares, any dividends which may be declared by the Board of the Company and, upon the winding up of the Company, their par value and any surplus remaining after paying to the holders of the Sponsor Shares the par value of the Sponsor Shares (to the extent actually paid up in cash). The Sponsor Shares have the general voting powers of the Company and the holders of Participating Shares are entitled to receive notice of and attend all general meetings of the members.

	Number of Participating Shares		Number of Participating Shares
Opening at 1 January 2013	90,358.22	Opening at 1 January 2012	50,392.00
Issued during the year	9,340.56	Issued during the year	39,966.22
Closing at 31 December 2013	99,698.78	Closing at 31 December 2012	90,358.22

Statement of Changes in Sponsor and Participating Shares

	Sponsor Shares US\$	Participating Shares US\$	Share Premium and Return Allocated to Participating Shareholders US\$	Total US\$
Balance at 1 January 2013	2	181	92,659,220	92,659,403
Change in net assets attributable to holders of Participating Shares			6,598,520	6,598,520
Subscriptions during the year		19	9,999,981	10,000,000
Balance at 31 December 2013	2	200	109,257,721	109,257,923
Balance at 1 January 2012	2	101	49,838,404	49,838,507
Change in net assets attributable to holders of Participating Shares			2,690,916	2,690,916
Subscriptions during the year		80	40,129,900	40,129,980
Balance at 31 December 2012	2	181	92,659,220	92,659,403

Participating Shares in the Company may be redeemed at the Net Asset Value per Participating Share on the dealing day immediately following the valuation day, being the last business day of each month, on at least 90 days' notice to the Administrator. The Company endeavours to pay the redemption proceeds within 30 days of the redemption date.

5 Bank Overdraft

The Company has a facility with Northern Trust (Guernsey) Limited and any outstanding bank overdraft is secured over the portfolio of the Company.

Aurum Isis Institutional Dollar Fund Ltd.

Notes to the Financial Statements for the year ended 31 December 2013 (continued)

6 Net Asset Value per Participating Share

The Net Asset Value per Participating Share is calculated by dividing the net assets less the par value of the Sponsor Shares included in the Statement of Financial Position by the number of Participating Shares in issue at the year end.

	December 2013	December 2012
Total Net Assets (US\$) Less Par Value of Sponsor Shares	109,257,921	92,659,401
Issued Participating Shares	99,698.78	90,358.22
Net Asset Value per Participating Share (US\$)	1,095.88	1,025.46

7 Related Parties

The Company's Administrators, Investment Advisor, Custodian and Directors are related parties by virtue of the material contracts in existence that are outlined in Notes 3 to 5 of the financial statements of the Master Fund.

Mrs T Gibbons is a Director of the Investment Advisor. Mr D R Cottingham and Mr C C Morris are Directors of Global Fund Services Ltd., the Bermuda Administrator and along with Mr A Hopkin are Directors of both the Investment Advisor and Continental Sponsors Ltd., the sponsoring broker on the Bermuda Stock Exchange. Mr K Gundle is a Vice President of Information with the Investment Advisor. Messrs D R Cottingham, C C Morris and K Gundle directly and indirectly hold shares in the Investment Advisor. Mr S A Morris was a director of the Investment Advisor, until he retired on October 9, 2013. Mr S A Morris continues to be a director of Global Fund Services Ltd. and Continental Sponsors Ltd. and holds shares indirectly in the Investment Advisor.

Ms. M. O'Caomh is employed by a division of the Irish Administrator as Senior Vice President.

The Investment Advisor is also the sponsor and advisor to a number of other investment companies and the Directors of the Company, the Master Fund and the Investment Advisor may serve as Directors of such companies.

Persons connected to the Directors, as defined under the Irish Stock Exchange listing requirements, directly and indirectly own all of the Sponsor Shares of the Company. At 31 December 2013, Directors and Persons so connected did not directly or indirectly hold Participating Shares in the Company (2012: Nil).

All dealings between all parties were at arm's length prices.

8 Financial Instruments and Risk Exposure

The Company invests all of its assets into the Master Fund, which is exposed to market risk, currency risk, credit risk and liquidity risk arising from the financial instruments it holds. These risks are explained in the financial statements of the Master Fund which are attached.

9 Fair Value Measurement

The International Accounting Standards Board published *Improving Disclosures about Financial Instruments (Amendments to IFRS 7)* that are explained in Note 11 of the Master Fund financial statements.

Aurum Isis Institutional Dollar Fund Ltd.

Notes to the Financial Statements for the year ended 31 December 2013 (continued)

9 Fair Value Measurement (continued)

The following table presents the financial instruments carried on the Statement of Financial Position by level within the valuation hierarchy as at 31 December 2013.

Financial assets at fair value through profit or loss

31 December 2013	Total US\$	Level 1 US\$	Level 2 US\$	Level 3 US\$
Aurum Isis Fund Ltd.	109,282,867	-	109,282,867	-
Total	<u>109,282,867</u>	<u>-</u>	<u>109,282,867</u>	<u>-</u>

Financial assets at fair value through profit or loss

31 December 2012	Total US\$	Level 1 US\$	Level 2 US\$	Level 3 US\$
Aurum Isis Fund Ltd.	92,506,030	-	92,506,030	-
Total	<u>92,506,030</u>	<u>-</u>	<u>92,506,030</u>	<u>-</u>

There have been no transfers between levels 1 and 2 assets held in either year.

10 Subsequent Events

As advised to shareholders on December 17, 2013 the Company intended to amend the bye-laws of the Company to facilitate the issue of new classes of shares; to enable the Company to deliver reports, financial statements and other communications to shareholders electronically and to amend the Investment Advisory Agreement in order to enable certain expenses to be paid by the Company rather than the Master Fund. Shareholders were notified of the changes required to facilitate these matters and to correct and update certain other non material terms. On 26 March 2014, the members of the Sponsor Shares adopted the amended bye-laws and the Directors approved the amended Investment Advisory Agreement with effect from March 31, 2014 and April 1, 2014 respectively.

Also on March 26, 2014 the Directors approved the renaming of existing Participating Shares to "Institutional Dollar Restricted Shares" and to authorise the issuance of "Institutional Dollar Unrestricted Shares" with effect from April 1, 2014.

A new prospectus and supplements was approved by the directors on March 26, 2014 and issued effective April 1, 2014.

No other events have occurred in respect of the Company subsequent to the year end that may be deemed relevant to the accuracy of these financial statements.