

**Tyndall Australian Equities Trusts  
(formerly Nikko AM Australian Equities Trusts)**

**Financial Reports  
For the year ended 30 June 2021**

**Yarra Investment Management Limited  
ABN 34 002 542 038  
AFS Licence No. 229664**

**Tyndall Australian Equities Trusts**  
**(formerly Nikko AM Australian Equities Trusts)**  
**For the year ended 30 June 2021**

| <b>Contents</b>                         | <b>Page</b> |
|---|-------------|
| Directors' Report                       | 1           |
| Lead Auditor's Independence Declaration | 4           |
| Financial Statements                    | 5           |
| Notes to the financial statements       | 9           |
| Directors' Declaration                  | 28          |
| Independent Auditor's Report            | 29          |

**Tyndall Australian Equities Trusts**  
**(formerly Nikko AM Australian Equities Trusts)**  
**For the year ended 30 June 2021**

**Directors' Report**

The directors of Yarra Investment Management Limited (formerly Nikko Asset Management Australia Limited) (ABN 34 002 542 038), the Responsible Entity of the Tyndall Australian Equities Trusts (formerly Nikko AM Australian Equities Trusts) (the "Schemes") listed below, present their report together with the financial statements of the Schemes for the year ended 30 June 2021 and the auditor's report thereon.

**ARSN**

|   |             |
|---|-------------|
| Tyndall Australian Share Wholesale Fund (formerly Nikko AM Australian Share Wholesale Fund)       | 090 089 562 |
| Tyndall Australian Share Income Fund (formerly Nikko AM Australian Share Income Fund)             | 133 980 819 |
| Tyndall Australian Share Concentrated Fund (formerly Nikko AM Australian Share Concentrated Fund) | 143 598 556 |

**Responsible Entity**

The Responsible Entity of the Schemes is Yarra Investment Management Limited (formerly Nikko Asset Management Australia Limited) (ABN 34 002 542 038). The Responsible Entity's registered office is Level 26, One International Towers Sydney, 100 Barangaroo Avenue, Barangaroo NSW 2000.

On 2 March 2021, Nikko Asset Management (Nikko AM) entered into a binding agreement with Yarra Capital Management (Yarra) and TA Associates. Under the agreement, Yarra and TA Associates acquired a combined 80% of Nikko AM's Australian business, including the Responsible Entity. The transaction was completed on 12 April 2021.

The Responsible Entity has not changed as a result of this ownership change, but has been renamed to Yarra Investment Management Limited.

The directors of Yarra Investment Management Limited (formerly Nikko Asset Management Australia Limited) during the period from 1 July 2020 to the date of this report are:

| Name              |   |
|-------------------|---|
| John Gee          | Appointed 1 March 2011                            |
| Sam Hallinan      | Appointed 1 April 2015, resigned 10 February 2021 |
| Naomi Edwards     | Appointed 1 October 2018                          |
| Kunihiro Asai     | Appointed 1 April 2019, resigned 12 April 2021    |
| Peter Lynn        | Appointed 10 February 2021                        |
| Priscilla Boreham | Appointed 12 April 2021                           |
| Jennifer Horrigan | Appointed 12 April 2021                           |

**Principal Activities**

The Schemes are registered managed investment schemes, domiciled in Australia.

During the year, the Schemes continued to invest in accordance with the provisions of their Constitutions and Product Disclosure Statements. Investments in each class of asset were maintained within the stated asset allocation ranges.

The key asset category are listed securities. There were no significant changes in the nature of the Schemes' activities during the year.

The Schemes did not have any employees during the year.

**Review and Results of Operations**

The performance of the Schemes, as represented by the results of their operations, are as follows:

|  | Operating profit/(loss) |              |
|--|-------------------------|--------------|
|  | Year ended              |              |
|  | 30 June 2021            | 30 June 2020 |
|  | \$000                   | \$000        |
| Tyndall Australian Share Wholesale Fund    | 207,172                 | (145,893)    |
| Tyndall Australian Share Income Fund       | 45,253                  | (29,145)     |
| Tyndall Australian Share Concentrated Fund | 12,590                  | (8,239)      |

The following table sets out the exit unit price (ex-distribution) of the Schemes:

|  | 30 June 2021 | 30 June 2020 |
|--|--------------|--------------|
|  | \$           | \$           |
| Tyndall Australian Share Wholesale Fund    | 2.4447       | 1.8970       |
| Tyndall Australian Share Income Fund       | 1.3590       | 1.0979       |
| Tyndall Australian Share Concentrated Fund | 0.9606       | 0.8118       |

**Tyndall Australian Equities Trusts**  
**(formerly Nikko AM Australian Equities Trusts)**  
**For the year ended 30 June 2021**

**Directors' Report (continued)**

Distributions paid or payable by the Schemes in respect of the financial year were:

|  | Year ended 30 June 2021 |                | Year ended 30 June 2020 |                |
|--|-------------------------|----------------|-------------------------|----------------|
|  | \$000                   | Cents per unit | \$000                   | Cents per unit |
| Tyndall Australian Share Wholesale Fund    | 25,850                  | 8.4322         | 43,347                  | 11.9928        |
| Tyndall Australian Share Income Fund       | 6,397                   | 4.9762         | 10,312                  | 6.0085         |
| Tyndall Australian Share Concentrated Fund | 5,238                   | 9.6999         | 2,937                   | 5.1692         |

The coronavirus (COVID-19) continues to present social and economic challenges and the resulting impact on the capital markets remains uncertain. The volatility in global and local capital markets has been reflected in the valuation of the Schemes' investment portfolio and their financial results for the year ended 30 June 2021.

The Responsible Entity continues to actively monitor the liquidity and performance of the Schemes.

**Fees paid to and interests held in the Schemes by the Responsible Entity or its Associates**

Fees paid to the Responsible Entity and its associates out of the Schemes' property during the year are set out in the statement of comprehensive income and further explained in note 11(c) to the financial statements.

No fees were paid out of Schemes' property to the directors of the Responsible Entity during the year.

The interests in the Schemes held by the Responsible Entity or its associates as at the end of the financial year are as disclosed in note 11(b)(ii) to the financial statements.

**Significant Changes in State of Affairs**

On 2 March 2021, Nikko Asset Management (Nikko AM) entered into a binding agreement with Yarra Capital Management (Yarra) and TA Associates. Under the agreement, Yarra and TA Associates have acquired a combined 80% of Nikko AM's Australian business. The transaction was completed on 12 April 2021.

The Responsible Entity has not changed as a result of this ownership change, but has been renamed to Yarra Investment Management Limited.

As part of the transaction, Nikko AM Australian equities business is rebranded to Tyndall AM and the Schemes have been renamed accordingly.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Schemes that occurred during the financial year under review.

**Interests in the Schemes**

The movements in units on issue in the Schemes during the period are disclosed in note 7 to the financial statements.

The value of the Schemes' financial instruments is disclosed in the statement of financial position and are derived using the basis set out in note 2(c) to the financial statements.

**Likely Developments and Expected Results of Operations**

The Schemes are expected to operate within the terms of their respective Constitutions and Product Disclosure Statements and will remain invested in accordance with their investment objectives.

The results of the Schemes' operations may be affected by a number of factors, including the performance of investment markets in which the Schemes invest. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

**Environmental Regulation**

The Schemes' operations are not subject to any significant environmental regulations under either Commonwealth, State or Territory legislation.

**Tyndall Australian Equities Trusts**  
**(formerly Nikko AM Australian Equities Trusts)**  
**For the year ended 30 June 2021**

**Directors' Report (continued)**

**Matters Subsequent to the end of the Financial Year**

The associated economic impacts of COVID-19 remain uncertain. As the investments are measured at their 30 June 2021 fair values in the financial report, any volatility in values subsequent to the end of the reporting period is not reflected in the statement of comprehensive income or the statement of financial position. However, the current value of investments has been reflected in the current unit price.

No other matter or circumstance has arisen since 30 June 2021, that has significantly affected or may significantly affect:

- (i) the operation of the Schemes in future financial years, or
- (ii) the results of those operations in future financial years, or
- (iii) the state of affairs of the Schemes in future financial years.

**Indemnification**

So long as the Responsible Entity acts in accordance with the Schemes' Constitutions and the *Corporations Act 2001 (Cth)*, the Responsible Entity remains indemnified out of the assets of the Schemes for any losses, damages, expenses or other liability incurred while performing or exercising any of its powers, duties or rights in relation to the Schemes.

The auditors are not indemnified out of the assets of the Schemes.

**Insurance Premiums**

No insurance premiums are paid out of the Schemes' assets in relation to insurance cover for the Responsible Entity, the Responsible Entity's directors, officers and employees, or the auditors of the Schemes.

**Combining Registered Scheme Financial Reports**

The Schemes are of a kind referred to in the ASIC Corporations (Related Scheme Reports) Instrument 2015/839 issued by the Australian Securities and Investments Commission. This ASIC Corporations Instrument enables the Responsible Entity to combine the financial reports for the Schemes in adjacent columns in a single financial report. Amounts have been combined in the financial report and the directors' report in accordance with this ASIC Corporations Instrument.

**Rounding**

The Schemes are of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission relating to the "rounding" of amounts in the directors' report and financial statements. Amounts in the directors' report and financial statements for the Schemes have been rounded to the nearest thousand dollars in accordance with that ASIC Corporations Instrument, unless otherwise stated.

**Lead Auditor's Independence Declaration**

The lead auditor's independence declaration is set out on page 4 and forms part of the directors' report for the year ended 30 June 2021.

This report is made in accordance with a resolution of the directors of Yarra Investment Management Limited (formerly Nikko Asset Management Australia Limited):



Director



Director

Sydney  
24 September 2021



# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Yarra Investment Management Limited (formerly Nikko Asset Management Australia Limited), the Responsible Entity for the following Schemes:

- Tyndall Australian Share Wholesale Fund (formerly Nikko AM Australian Share Wholesale Fund);
- Tyndall Australian Share Income Fund (formerly Nikko AM Australian Share Income Fund); and
- Tyndall Australian Share Concentrated Fund (formerly Nikko AM Australian Share Concentrated Fund).

I declare that, to the best of my knowledge and belief, in relation to the audit of the Schemes for the year ended 30 June 2021 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Karen Hopkins  
*Partner*

Sydney  
24 September 2021

**Tyndall Australian Equities Trusts**  
(formerly Nikko AM Australian Equities Trusts)

**Statements of comprehensive income**  
**For the year ended 30 June 2021**

|  | Tyndall Australian Share<br>Wholesale Fund | Tyndall Australian Share<br>Income Fund | Tyndall Australian Share<br>Concentrated Fund |
|--|--|---|---|
| Notes  | 30 June 2021<br>\$000                      | 30 June 2021<br>\$000                   | 30 June 2020<br>\$000                         |
| <b>Investment income</b>                                       |  |   |   |
| Interest income  | -  | 61                                      | 19  |
| Dividend income  | 18,622                                     | 31,471                                  | 6,153   |
| Trust distribution income                                      | 2,084                                      | 4,231                                   | 1,106   |
| Net changes in the fair value of investments                   | 192,949                                    | (173,246)                               | 39,778  |
| Other income   | -  | 4                                       | -   |
| <b>Total investment income/(loss)</b>                          | <b>213,655</b>                             | <b>(137,479)</b>                        | <b>47,182</b>                                 |
|  |  | <b>(26,844)</b>                         | <b>13,182</b>                                 |
|  |  |   | <b>(7,533)</b>                                |
| <b>Expenses</b>  |  |   |   |
| Interest expense   | -  | -                                       | -   |
| Responsible Entity's fees                                      | 5,729                                      | 7,065                                   | 1,872   |
| Withholding tax expense  | 5  | 118                                     | 61  |
| Transaction costs  | 749  | 1,229                                   | 368   |
| Other expenses   | -  | 2                                       | -   |
| <b>Total operating expenses</b>                                | <b>6,483</b>                               | <b>8,414</b>                            | <b>2,301</b>                                  |
|  |  | <b>1,929</b>                            | <b>592</b>                                    |
| <b>Operating profit/(loss)</b>                                 | <b>207,172</b>                             | <b>(145,893)</b>                        | <b>45,253</b>                                 |
|  |  | <b>(29,145)</b>                         | <b>12,590</b>                                 |
|  |  |   | <b>(8,239)</b>                                |
| <b>Finance costs attributable to unitholders</b>               |  |   |   |
| Distributions to unitholders                                   | (25,850)                                   | (43,347)                                | (6,397)                                       |
| (Increase)/ decrease in net assets attributable to unitholders | (181,322)                                  | 189,240                                 | (38,856)                                      |
|  |  | <b>39,457</b>                           | <b>(7,352)</b>                                |
| <b>Changes in comprehensive income</b>                         | <b>-</b>                                   | <b>-</b>                                | <b>-</b>                                      |
|  |  |   | <b>11,176</b>                                 |
|  |  |   | <b>(2,937)</b>                                |
|  |  |   | <b>11,176</b>                                 |

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

**Tyndall Australian Equities Trusts**  
(formerly Nikko AM Australian Equities Trusts)

**Statements of financial position**  
As at 30 June 2021

|   | Notes | Tyndall Australian Share<br>Wholesale Fund |                        | Tyndall Australian Share<br>Income Fund |                        | Tyndall Australian Share<br>Concentrated Fund |                        |
|---|-------|--|------------------------|---|------------------------|---|------------------------|
|   |       | 30 June 2021<br>\$'000                     | 30 June 2020<br>\$'000 | 30 June 2021<br>\$'000                  | 30 June 2020<br>\$'000 | 30 June 2021<br>\$'000                        | 30 June 2020<br>\$'000 |
| <b>Assets</b>   |       |  |                        |   |                        |   |                        |
| Cash and cash equivalents   | 12(a) | 5,592                                      | 17,692                 | 1,185                                   | 8,925                  | 767   | 1,538                  |
| Receivables   | 5     | 5,266                                      | 10,392                 | 3,717                                   | 806                    | 248   | 349                    |
| Financial assets at fair value through profit or loss                       | 9     | 748,358                                    | 685,373                | 157,857                                 | 183,027                | 19,857  | 38,688                 |
| <b>Total assets</b>   |       | <u>759,216</u>                             | <u>713,457</u>         | <u>162,759</u>                          | <u>192,758</u>         | <u>20,872</u>                                 | <u>40,575</u>          |
| <b>Liabilities</b>  |       |  |                        |   |                        |   |                        |
| Distributions payable   | 8     | 19,275                                     | 29,490                 | 3,027                                   | 4,281                  | 362   | 150                    |
| Payables  | 6     | 3,962                                      | 9,584                  | 485                                     | 793                    | 358   | 182                    |
| <b>Total liabilities (excluding net assets attributable to unitholders)</b> |       | <u>23,237</u>                              | <u>39,074</u>          | <u>3,512</u>                            | <u>5,074</u>           | <u>720</u>                                    | <u>332</u>             |
| <b>Net assets attributable to unitholders - liability</b>                   | 7     | <u>735,979</u>                             | <u>674,383</u>         | <u>159,247</u>                          | <u>187,684</u>         | <u>20,152</u>                                 | <u>40,243</u>          |

The above statements of financial position should be read in conjunction with the accompanying notes.



**Tyndall Australian Equities Trusts**  
(formerly Nikko AM Australian Equities Trusts)

**Statements of changes in equity**  
For the year ended 30 June 2021

|  | Tyndall Australian Share<br>Wholesale Fund |              | Tyndall Australian Share<br>Income Fund |              | Tyndall Australian Share<br>Concentrated Fund |              |
|--|--|--------------|---|--------------|---|--------------|
|  | 30 June 2021                               | 30 June 2020 | 30 June 2021                            | 30 June 2020 | 30 June 2021                                  | 30 June 2020 |
|  | \$000                                      | \$000        | \$000                                   | \$000        | \$000   | \$000        |
| <b>Total equity at the beginning of the financial year</b> | -  | -            | -                                       | -            | -   | -            |
| Total comprehensive income for the year                    | -  | -            | -                                       | -            | -   | -            |
| <b>Total recognised income and expense for the year</b>    | -  | -            | -                                       | -            | -   | -            |
| Transactions with owners in their capacity as owners       | -  | -            | -                                       | -            | -   | -            |
| <b>Total equity at the end of the financial year</b>       | -  | -            | -                                       | -            | -   | -            |

Under Australian Accounting Standards, net assets attributable to unitholders are classified as a liability rather than equity. As a result, there was no equity at the start or end of the year.

The above statements of changes in equity should be read in conjunction with the accompanying notes.

**Tyndall Australian Equities Trusts**  
(formerly Nikko AM Australian Equities Trusts)

**Statements of cash flows**  
For the year ended 30 June 2021

|   | Tyndall Australian Share<br>Wholesale Fund |              | Tyndall Australian Share<br>Income Fund |              | Tyndall Australian Share<br>Concentrated Fund |              |
|---|--|--------------|---|--------------|---|--------------|
|   | 30 June 2021                               | 30 June 2020 | 30 June 2021                            | 30 June 2020 | 30 June 2021                                  | 30 June 2020 |
| Notes   | \$'000                                     | \$'000       | \$'000                                  | \$'000       | \$'000  | \$'000       |
| <b>Cash flows from operating activities</b>             |  |              |   |              |   |              |
| Proceeds from sale of investments                       | 370,586                                    | 494,429      | 176,177                                 | 124,651      | 63,268  | 39,798       |
| Payments for purchases of investments                   | (238,078)                                  | (393,521)    | (113,710)                               | (118,385)    | (11,687)                                      | (30,538)     |
| Dividends received                                      | 17,065                                     | 32,157       | 5,890                                   | 9,990        | 1,570   | 1,878        |
| Trust distributions received                            | 1,579                                      | 4,335        | 1,195                                   | 906          | 159   | 172          |
| Interest received                                       | -  | 68           | -                                       | 24           | -   | 8            |
| Interest expense paid                                   | -  | -            | (1)                                     | -            | -   | -            |
| GST received/(paid)                                     | (4)  | 90           | (1)                                     | 18           | (1)   | 3            |
| Other income received                                   | -  | 4            | -                                       | -            | -   | -            |
| Responsible Entity's fees paid                          | (5,730)                                    | (7,243)      | (1,553)                                 | (1,903)      | (528)   | (572)        |
| Withholding tax paid                                    | (5)  | (253)        | (7)                                     | (46)         | (20)  | (39)         |
| Transaction costs paid                                  | (772)                                      | (1,321)      | (386)                                   | (368)        | (69)  | (104)        |
| Other expenses paid                                     | -  | (2)          | -                                       | -            | -   | -            |
| <b>Net cash inflows from operating activities</b>       | 12(b) 144,641                              | 128,743      | 67,604                                  | 14,887       | 52,692  | 10,606       |
| <b>Cash flows from financing activities</b>             |  |              |   |              |   |              |
| Proceeds from applications by unitholders               | 84,079                                     | 98,689       | 46,708                                  | 55,464       | 4,997   | 7,881        |
| Payments for redemptions by unitholders                 | (219,795)                                  | (176,762)    | (116,492)                               | (61,923)     | (54,590)                                      | (15,402)     |
| Distributions paid                                      | (21,025)                                   | (62,178)     | (5,560)                                 | (8,709)      | (3,870)                                       | (4,069)      |
| <b>Net cash (outflows) from financing activities</b>    | (156,741)                                  | (130,251)    | (75,344)                                | (15,168)     | (53,463)                                      | (11,590)     |
| <b>Net (decrease) in cash and cash equivalents</b>      | (12,100)                                   | (1,508)      | (7,740)                                 | (281)        | (771)   | (984)        |
| Cash and cash equivalents at beginning of the year      | 17,692                                     | 19,200       | 8,925                                   | 9,206        | 1,538   | 2,522        |
| <b>Cash and cash equivalents at the end of the year</b> | 12(a) 5,592                                | 17,692       | 1,185                                   | 8,925        | 767   | 1,538        |

The above statements of cash flows should be read in conjunction with the accompanying notes.

**Tyndall Australian Equities Trusts**  
**(formerly Nikko AM Australian Equities Trusts)**

**Notes to the financial statements**  
**For the year ended 30 June 2021**

| <b>Index</b> |  | <b>Page</b> |
|--------------|--|-------------|
| Note 1       | General information  | 10          |
| Note 2       | Summary of significant accounting policies   | 10          |
| Note 3       | Auditor's remuneration   | 14          |
| Note 4       | Net changes in the fair value of investments   | 14          |
| Note 5       | Receivables  | 15          |
| Note 6       | Payables   | 15          |
| Note 7       | Net assets attributable to unitholders   | 16          |
| Note 8       | Distributions to unitholders   | 17          |
| Note 9       | Financial assets at fair value through profit or loss                                  | 18          |
| Note 10      | Financial risk management  | 19          |
| Note 11      | Related party disclosures  | 24          |
| Note 12      | Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities | 26          |
| Note 13      | Commitments and contingencies  | 27          |
| Note 14      | Events occurring after the reporting period  | 27          |

**Tyndall Australian Equities Trusts**  
**(formerly Nikko AM Australian Equities Trusts)**

**Notes to the financial statements**  
**For the year ended 30 June 2021**

**Note 1: General information**

On 2 March 2021, Nikko Asset Management (Nikko AM) entered into a binding agreement with Yarra Capital Management (Yarra) and TA Associates. Under the agreement, Yarra and TA Associates acquired a combined 80% of Nikko AM's Australian business, including the Responsible Entity. The transaction was completed 12 April 2021.

The Responsible Entity has not changed as a result of this ownership change, but has been renamed to Yarra Investment Management Limited.

The financial statements cover the following Schemes as individual entities, each constituted pursuant to the following separate Constitutions and limited to a period of 80 years unless terminated under the provisions of their Constitutions:

| Schemes                                    | Date of Constitution | Date of Expiry   |
|--|----------------------|------------------|
| Tyndall Australian Share Wholesale Fund    | 6 March 1995         | 5 March 2075     |
| Tyndall Australian Share Income Fund       | 11 November 2008     | 10 November 2088 |
| Tyndall Australian Share Concentrated Fund | 10 May 2010          | 9 May 2090       |

The Responsible Entity of the Schemes is Yarra Investment Management Limited (formerly Nikko Asset Management Australia Limited).

The Responsible Entity's registered office is Level 26, One International Towers Sydney, 100 Barangaroo Avenue, Barangaroo NSW 2000.

The financial statements were authorised for issue by the directors on 24 September 2021. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

**Note 2: Summary of significant accounting policies**

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

**(a) Basis of Preparation**

These general purpose financial statements have been prepared in accordance with the Schemes' Constitutions and with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001 (Cth)*.

The financial statements have been prepared on the basis of fair value measurement of assets and liabilities, except where otherwise stated.

The statements of financial position present assets and liabilities in decreasing order of liquidity and do not distinguish between current and non-current items.

*Statement of Compliance*

The financial statements comply with Australian Accounting Standards as issued by the Australian Accounting Standards Board and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

*Use of estimates*

Management makes estimates and assumptions that affect the reported amounts in the financial statements. These estimates and associated assumptions are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Certain financial instruments are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, observable data is used to the extent practicable. Management may be required to make estimates and any changes in assumptions would affect the reported fair value of financial instruments.

The coronavirus (COVID-19) continues to present social and economic challenges and the resulting impact on the capital markets remains uncertain. The volatility in global and local capital markets has been reflected in the valuation of the Schemes' investment portfolio and their financial results for the year ended 30 June 2021.

**(b) New accounting standards and interpretations**

(i) New and amended accounting standards adopted by the Schemes

There are no new standards, interpretations or amendments to existing standards that are effective for the first time for the financial reporting period 30 June 2021 or for annual periods beginning after 1 July 2021 that have a material impact on the Schemes.

**(c) Financial Instruments**

(i) *Classification*

The Schemes classify their investments based on their business model for managing those financial assets and their contractual cash flow characteristics. The Schemes' portfolio of financial assets are actively traded, managed and their performance is evaluated on a fair value basis in accordance with the Schemes' documented investment strategy, together with other related financial information.

Equities, listed trusts and derivatives are measured at fair value through profit or loss.

Cash and cash equivalents and receivables are held in order to collect the contractual cash flows and the contractual terms of these assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Consequently, these are measured at amortised cost.

**Tyndall Australian Equities Trusts**  
**(formerly Nikko AM Australian Equities Trusts)**

**Notes to the financial statements**  
**For the year ended 30 June 2021**

**Note 2: Summary of significant accounting policies (continued)**

**(c) Financial Instruments (continued)**

*(ii) Recognition/derecognition*

The Schemes recognise financial assets and financial liabilities on the date they become party to the contractual provisions of the instrument and derecognise them when the right to receive or obligation to pay cash flows have expired, or the Schemes have substantially transferred those rights or obligations.

*(iii) Measurement*

Financial instruments are measured initially at fair value, typically represented by cost, excluding transaction costs which are expensed as incurred.

Subsequent to initial recognition, all financial instruments (except for receivables, payables and net assets attributable to unitholders which are valued as stated below) are measured at fair value at the end of each reporting period. Gains and losses arising from changes in fair value of financial instruments are included in the statements of comprehensive income in the period in which they arise.

The following represents the basis of valuation of specific financial instruments for financial reporting purposes:

*Listed equities and listed trusts*

The fair value of shares or unit trusts listed on a stock exchange is determined as the last traded price, for a financial asset, or the ask price for a financial liability on the relevant exchange the shares or units are traded, at close of business on the day of valuation.

*(iv) Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

**(d) Investment Income**

*Dividend and distribution Income*

Dividend and distribution income from financial assets at fair value through profit or loss is recognised in the profit or loss when the Schemes' right to receive payment is established.

*Interest Income*

Interest income earned on cash and cash equivalents is recognised on an accruals basis.

*Net changes in the fair value of investments*

Net changes in the fair value of investments are recognised as income and are determined as the difference between the fair value at period end or consideration received (if sold during the year) and the fair value as at the prior period end or initial fair value (if the investment was acquired during the year), but excludes interest and dividend income.

**(e) Expenses**

Expenses are recognised in the statements of comprehensive income on an accruals basis.

**(f) Cash and Cash Equivalents**

For the purposes of the statements of cash flows, cash and cash equivalents include deposits held at call with a bank or financial institution with an original maturity date of three months or less. Cash and cash equivalents also include highly liquid investments which are readily convertible to cash at the Responsible Entity's option and which the Responsible Entity uses in its day to day management of the Schemes' cash requirements.

Payments and receipts relating to the purchase and sale of investments are classified as cash flows from operating activities, as movements in the fair value of these investments represent the Schemes' main income-generating activity.

**Tyndall Australian Equities Trusts**  
**(formerly Nikko AM Australian Equities Trusts)**

**Notes to the financial statements**  
**For the year ended 30 June 2021**

**Note 2: Summary of significant accounting policies (continued)**

**(g) Receivables**

Receivables include amounts where settlement has not yet occurred, and include amounts due for interest, trust distributions due, dividend and outstanding settlements on the sale of investments. Receivables are measured initially at fair value plus transaction costs and subsequently at amortised cost using the effective interest rate method, less any impairment losses if any. Amounts are generally received within 30 days of being recorded as receivables.

The impairment model is based on an 'Expected Credit Loss' (ECL) basis. ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the difference between the present value of the cash flows due to the Schemes and the present value of the cash flows that the Schemes expects to receive.

The Schemes have applied the simplified approach under AASB 9 to calculate the ECL for receivables. Under this approach, ECLs are calculated based on the life of the instrument. During this process, the probability of the non-payment of the receivables is assessed using the single loss rate approach.

The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

**(h) Payables**

Payables are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Schemes, and include outstanding settlements on the purchase of investments. Payables are measured at their nominal amounts. Amounts are generally paid within 30 days of being recorded as payables.

The distribution amount payable to unitholders as at the end of the reporting period is recognised separately in the statements of financial position when unitholders are presently entitled to the distributable income under the Schemes' Constitutions.

**(i) Net Assets Attributable to Unitholders**

Under AASB 132 *Financial instruments: Presentation*, puttable financial instruments are classified as equity where certain strict criteria are met. The units issued by the Schemes did not meet the criteria as they have different contractual features such as contractual obligations to distribute. Consequently, net assets attributable to unitholders are classified as financial liabilities. Units in the Schemes can generally be redeemed at any time for cash equal to a proportionate share of the Schemes' net asset values, subject to restrictions on withdrawals as disclosed in the governing documents. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the balance date if unitholders exercised their right to redeem their units.

**(j) Taxation**

Under current legislation, the Schemes are not liable to pay income tax since, under the terms of the Schemes' Constitutions, the unitholders are presently entitled to the income of the Schemes. The benefits of imputation credits and foreign tax paid are passed on to unitholders.

Realised net capital losses cannot be distributed to unitholders but are carried forward by the Schemes to be offset against any realised capital gains in future years.

**(k) Distributions to Unitholders**

In accordance with the Schemes' Constitutions, the Schemes fully distribute their distributable (taxable) income and any other amounts determined by the Responsible Entity, to unitholders by cash or reinvestment.

The distributions are recognised as finance costs attributable to unitholders in the statements of comprehensive income.

Distributions paid are included in cash flows from financing activities in the statements of cash flows.

Special distributions may be paid at other dates as determined by the Responsible Entity.

**(l) Foreign Currency Translation**

**(i) Functional and presentation currency**

Items included in the Schemes' financial statements are measured using the currency of the primary economic environment in which they operate (the "functional currency").

The presentation currency of this financial report, and the functional currency of the Schemes, is Australian dollars.

**(ii) Transactions and balances**

Income and expense items denominated in a currency other than the functional currency are translated at the spot exchange rate at the date of the transaction. At balance date, all securities denominated in international currencies are translated to Australian dollars using the rates of exchange prevailing at that date. The resulting unrealised exchange differences are recognised as changes in the fair value of investments in the Statements of Comprehensive Income in the year in which they arise.

**Tyndall Australian Equities Trusts  
(formerly Nikko AM Australian Equities Trusts)**

**Notes to the financial statements  
For the year ended 30 June 2021**

**Note 2: Summary of significant accounting policies (continued)**

**(m) Terms and Conditions of Units on Issue**

Each unit confers upon the unitholder an equal interest in each Scheme (subject to income entitlements), and is of equal value. A unit in a Scheme does not confer an interest in any particular asset or investment of that Scheme.

Unitholders have various rights under the Schemes' Constitutions and the *Corporations Act 2001 (Cth)*, including the right to:

- have their units redeemed;
- receive income distributions;
- attend and vote at meetings of unitholders; and
- participate in the termination and winding up of the Schemes.

The rights, obligations and restrictions attached to each unitholder class in each scheme are identical in all respects.

Applications received for units in the Schemes are recorded net of any entry fees payable prior to the issue of units in the Schemes. Redemptions from the Schemes are recorded gross of any exit fees payable after the cancellation of units redeemed. Unit exit prices are determined in accordance with the Schemes' Constitutions and are calculated on a forward pricing basis as the net assets attributable to unitholders of the Schemes for unit pricing purposes less estimated transaction costs divided by the number of units on issue.

**(n) Goods and Services Tax**

All revenues, expenses and assets are recognised net of any GST paid, except where they relate to products and services which are input taxed for GST purposes or the GST incurred is not recoverable from the relevant tax authorities. In such circumstances, the GST paid is recognised as part of the cost of acquisition of the assets or as part of the particular expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from or payable to the tax authorities is included as a receivable or payable in the Statements of Financial Position.

Cash flows are reported on a gross basis reflecting any GST paid or collected. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the local tax authorities are classified as operating cash flows.

**(o) Rounding**

The Schemes are of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission relating to the "rounding" of amounts in the directors' report and financial statements. Amounts in the directors' report and financial statements for the Schemes have been rounded to the nearest thousand dollars in accordance with that ASIC Corporations Instrument, unless otherwise stated.

**Tyndall Australian Equities Trusts**  
(formerly Nikko AM Australian Equities Trusts)

Notes to the financial statements  
For the year ended 30 June 2021

**Note 3: Auditor's remuneration**

The auditor's remuneration for auditing the financial statements are as follows.

Auditor's remuneration for the Schemes is paid by the parent entity of the Responsible Entity, Yarra Capital Management Limited (formerly Nikko AM Limited), and has not been recharged to the Schemes.

|                                   | Tyndall Australian Share<br>Wholesale Fund |              | Tyndall Australian Share Income<br>Fund |              | Tyndall Australian Share<br>Concentrated Fund |              |
|-----------------------------------|--|--------------|---|--------------|---|--------------|
|                                   | 30 June 2021                               | 30 June 2020 | 30 June 2021                            | 30 June 2020 | 30 June 2021                                  | 30 June 2020 |
|                                   | \$   | \$           | \$                                      | \$           | \$  | \$           |
| Auditors of the Schemes - KPMG    | 17,249                                     | 17,036       | 17,249                                  | 17,036       | 10,389  | 10,261       |
| Auditing the financial statements | 3,341                                      | 3,300        | 3,341                                   | 3,300        | 3,341   | 3,300        |
| Other audit services              | 6,620                                      | 6,545        | 6,620                                   | 6,545        | 6,360   | 6,290        |
| Taxation services                 | 27,210                                     | 26,881       | 27,210                                  | 26,881       | 20,090  | 19,851       |
|                                   |  |              |   |              |   |              |

**Note 4: Net changes in the fair value of investments**

|  | Tyndall Australian Share<br>Wholesale Fund |              | Tyndall Australian Share Income<br>Fund |              | Tyndall Australian Share<br>Concentrated Fund |              |
|--|--|--------------|---|--------------|---|--------------|
|  | 30 June 2021                               | 30 June 2020 | 30 June 2021                            | 30 June 2020 | 30 June 2021                                  | 30 June 2020 |
|  | \$000                                      | \$000        | \$000                                   | \$000        | \$000   | \$000        |
| Net gain/(loss) on financial assets          | 192,949                                    | (173,246)    | 39,778                                  | (37,431)     | 11,355  | (9,798)      |
| Net changes in the fair value of investments | 192,949                                    | (173,246)    | 39,778                                  | (37,431)     | 11,355  | (9,798)      |
|  |  |              |   |              |   |              |



**Tyndall Australian Equities Trusts**  
(formerly Nikko AM Australian Equities Trusts)

Notes to the financial statements  
For the year ended 30 June 2021

**Note 5: Receivables**

|                                    | Tyndall Australian Share<br>Wholesale Fund<br>30 June 2021<br>\$000 | Tyndall Australian Share Income<br>Fund<br>30 June 2021<br>\$000 | Tyndall Australian Share<br>Concentrated Fund<br>30 June 2021<br>\$000 | Tyndall Australian Share<br>Concentrated Fund<br>30 June 2020<br>\$000 |
|------------------------------------|---|--|--|--|
| Dividends receivable               | 2,546   | 1,208  | 627  | 488  |
| Distributions receivable           | 726   | 221  | 323  | 267  |
| Applications receivable            | 234   | 38   | 258  | 24   |
| GST receivable                     | 95  | 91   | 28   | 27   |
| Outstanding settlements receivable | 1,366   | 8,535  | 2,481  | -  |
| Withholding tax reclaim receivable | 299   | 299  | -  | -  |
|                                    | <u>5,266</u>  | <u>10,392</u>  | <u>3,717</u>   | <u>806</u>   |
|                                    |   |  | <u>248</u>   | <u>349</u>   |

**Note 6: Payables**

|                                 | Tyndall Australian Share<br>Wholesale Fund<br>30 June 2021<br>\$000 | Tyndall Australian Share Income<br>Fund<br>30 June 2021<br>\$000 | Tyndall Australian Share<br>Concentrated Fund<br>30 June 2021<br>\$000 | Tyndall Australian Share<br>Concentrated Fund<br>30 June 2020<br>\$000 |
|---------------------------------|---|--|--|--|
| Responsible Entity fees payable | 561   | 562  | 158  | 180  |
| Outstanding settlements payable | 2,834   | 7,459  | -  | 124  |
| Redemptions payable             | 565   | 1,538  | 323  | 489  |
| Transaction costs payable       | 2   | 25   | 4  | -  |
|                                 | <u>3,962</u>  | <u>9,584</u>   | <u>485</u>   | <u>793</u>   |
|                                 |   |  | <u>358</u>   | <u>182</u>   |

**Tyndall Australian Equities Trusts**  
(formerly Nikko AM Australian Equities Trusts)

**Notes to the financial statements**  
**For the year ended 30 June 2021**

**Note 7: Net assets attributable to unitholders**

As stipulated within the Schemes' Constitutions, each unit represents a right to an individual share in each Scheme and does not extend to a right to the underlying assets of that Scheme. There are no separate classes of units within the individual Schemes and each unit has the same rights attached to it as all other units of that class in that Scheme.

The Schemes consider their capital to be unitholders' funds. The Schemes manage their net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders being classified as a liability as the puttable financial instruments do not satisfy all the criteria set out under AASB 132 (refer to note 2(i)).

The objective of the Schemes is to provide unitholders with returns in accordance with the Product Disclosure Statements. The Schemes aim to meet this objective mainly through holding and managing exposures directly or indirectly, in a highly diversified portfolio in accordance with the limitations set by the Product Disclosure Statements. Derivatives can be used to facilitate the investment strategy.

The Schemes strive to invest in products that meet the Schemes' investment objectives while maintaining sufficient liquidity to meet unitholders' redemptions. No leveraging of the Schemes is permitted.

Refer to note 10(b) for information on liquidity risk.

**Movements in number of units and net assets attributable to unitholders during the year were as follows:**

**Tyndall Australian Share Wholesale Fund**

|   | 30 June 2021<br>Units (000) | 30 June 2020<br>Units (000) | 30 June 2021<br>\$000 | 30 June 2020<br>\$000 |
|---|-----------------------------|-----------------------------|-----------------------|-----------------------|
| <b>Unitholders' funds</b>                                     |                             |                             |                       |                       |
| Opening balance   | 354,457                     | 389,844                     | 674,383               | 931,630               |
| Applications  | 38,629                      | 41,445                      | 84,275                | 98,622                |
| Distributions reinvested                                      | 7,623                       | 16,174                      | 14,821                | 38,836                |
| Redemptions   | (100,536)                   | (93,006)                    | (218,822)             | (205,465)             |
| Increase/(decrease) in net assets attributable to unitholders | -                           | -                           | 181,322               | (189,240)             |
| Closing balance   | <u>300,173</u>              | <u>354,457</u>              | <u>735,979</u>        | <u>674,383</u>        |

**Tyndall Australian Share Income Fund**

|   | 30 June 2021<br>Units (000) | 30 June 2020<br>Units (000) | 30 June 2021<br>\$000 | 30 June 2020<br>\$000 |
|---|-----------------------------|-----------------------------|-----------------------|-----------------------|
| <b>Unitholders' funds</b>                                     |                             |                             |                       |                       |
| Opening balance   | 170,518                     | 173,393                     | 187,684               | 231,516               |
| Applications  | 39,701                      | 44,652                      | 46,942                | 55,040                |
| Distributions reinvested                                      | 1,821                       | 2,158                       | 2,091                 | 2,710                 |
| Redemptions   | (95,150)                    | (49,685)                    | (116,326)             | (62,125)              |
| Increase/(decrease) in net assets attributable to unitholders | -                           | -                           | 38,856                | (39,457)              |
| Closing balance   | <u>116,890</u>              | <u>170,518</u>              | <u>159,247</u>        | <u>187,684</u>        |

**Tyndall Australian Share Concentrated Fund**

|   | 30 June 2021<br>Units (000) | 30 June 2020<br>Units (000) | 30 June 2021<br>\$000 | 30 June 2020<br>\$000 |
|---|-----------------------------|-----------------------------|-----------------------|-----------------------|
| <b>Unitholders' funds</b>                                     |                             |                             |                       |                       |
| Opening balance   | 49,445                      | 56,342                      | 40,243                | 58,638                |
| Applications  | 30,486                      | 10,694                      | 26,072                | 7,880                 |
| Distributions reinvested                                      | 1,218                       | 316                         | 1,110                 | 303                   |
| Redemptions   | (60,225)                    | (17,907)                    | (54,625)              | (15,402)              |
| Increase/(decrease) in net assets attributable to unitholders | -                           | -                           | 7,352                 | (11,176)              |
| Closing balance   | <u>20,924</u>               | <u>49,445</u>               | <u>20,152</u>         | <u>40,243</u>         |

**Tyndall Australian Equities Trusts**  
(formerly Nikko AM Australian Equities Trusts)

**Notes to the financial statements**  
**For the year ended 30 June 2021**

**Note 8: Distributions to unitholders**

The distributions for the year were paid/payable as follows:

**Tyndall Australian Share Wholesale Fund**

|                                   | 30 June 2021<br>\$000 | 30 June 2021<br>CPU | 30 June 2020<br>\$000 | 30 June 2020<br>CPU |
|-----------------------------------|-----------------------|---------------------|-----------------------|---------------------|
| <b>Distributions paid/payable</b> |                       |                     |                       |                     |
| Distribution paid - December      | 6,575                 | 2,0110              | 13,857                | 3,6730              |
| Distribution payable at 30 June   | 19,275                | 6,4212              | 29,490                | 8,3198              |
|                                   | <u>25,850</u>         | <u>8,4322</u>       | <u>43,347</u>         | <u>11,9928</u>      |

**Tyndall Australian Share Income Fund**

|                                   | 30 June 2021<br>\$000 | 30 June 2021<br>CPU | 30 June 2020<br>\$000 | 30 June 2020<br>CPU |
|-----------------------------------|-----------------------|---------------------|-----------------------|---------------------|
| <b>Distributions paid/payable</b> |                       |                     |                       |                     |
| Distribution paid - September     | 416                   | 0,2651              | 1,735                 | 1,0032              |
| Distribution paid - December      | 2,306                 | 1,6444              | 2,452                 | 1,4272              |
| Distribution paid - March         | 648                   | 0,4770              | 1,844                 | 1,0675              |
| Distribution payable at 30 June   | 3,027                 | 2,5897              | 4,281                 | 2,5106              |
|                                   | <u>6,397</u>          | <u>4,9762</u>       | <u>10,312</u>         | <u>6,0085</u>       |

**Tyndall Australian Share Concentrated Fund**

|  | 30 June 2021<br>\$000 | 30 June 2021<br>CPU | 30 June 2020<br>\$000 | 30 June 2020<br>CPU |
|--|-----------------------|---------------------|-----------------------|---------------------|
| <b>Distributions paid/payable</b>                |                       |                     |                       |                     |
| Distribution paid - September                    | -                     | -                   | 279                   | 0,4946              |
| Distribution paid - October Special Distribution | 536                   | 0,7300              | -                     | -                   |
| Distribution paid - December                     | 37                    | 0,0607              | 514                   | 0,9096              |
| Distribution paid - March                        | 58                    | 0,0970              | -                     | -                   |
| Distribution paid - March Special Distribution   | -                     | -                   | 1,575                 | 2,8141              |
| Distribution paid - May Special Distribution     | 4,245                 | 7,0818              | -                     | -                   |
| Distribution paid - June Special Distribution    | -                     | -                   | 419                   | 0,6475              |
| Distribution payable at 30 June                  | 362                   | 1,7304              | 150                   | 0,3034              |
|  | <u>5,238</u>          | <u>9,6999</u>       | <u>2,937</u>          | <u>5,1692</u>       |

**Tyndall Australian Equities Trusts**  
(formerly Nikko AM Australian Equities Trusts)

Notes to the financial statements  
For the year ended 30 June 2021

**Note 9: Financial assets at fair value through profit or loss**

|  | Tyndall Australian Share Wholesale Fund |                   | Tyndall Australian Share Income Fund |                   | Tyndall Australian Share Concentrated Fund |                   |
|--|---|-------------------|--------------------------------------|-------------------|--|-------------------|
|  | 30 June 2021                            | 30 June 2020      | 30 June 2021                         | 30 June 2020      | 30 June 2021                               | 30 June 2020      |
|  | Fair value \$'000                       | Fair value \$'000 | Fair value \$'000                    | Fair value \$'000 | Fair value \$'000                          | Fair value \$'000 |
| <b>Financial assets at fair value through profit or loss</b>       |   |                   |                                      |                   |  |                   |
| Listed securities  | 748,358                                 | 685,373           | 157,857                              | 183,027           | 19,857                                     | 38,688            |
| <b>Total financial assets at fair value through profit or loss</b> | <b>748,358</b>                          | <b>685,373</b>    | <b>157,857</b>                       | <b>183,027</b>    | <b>19,857</b>                              | <b>38,688</b>     |
| <b>Comprising:</b>   |   |                   |                                      |                   |  |                   |
| <b>Listed securities</b>   |   |                   |                                      |                   |  |                   |
| Equities   | 679,538                                 | 625,343           | 138,988                              | 163,513           | 17,766                                     | 34,201            |
| Unit trusts  | 68,820                                  | 60,030            | 18,869                               | 19,514            | 2,091                                      | 4,487             |
| Total listed securities  | 748,358                                 | 685,373           | 157,857                              | 183,027           | 19,857                                     | 38,688            |
| <b>Total financial assets at fair value through profit or loss</b> | <b>748,358</b>                          | <b>685,373</b>    | <b>157,857</b>                       | <b>183,027</b>    | <b>19,857</b>                              | <b>38,688</b>     |

An overview of the risk exposures relating to financial assets at fair value through profit or loss is included in note 10.

**Tyndall Australian Equities Trusts**  
**(formerly Nikko AM Australian Equities Trusts)**

**Notes to the financial statements**  
**For the year ended 30 June 2021**

**Note 10: Financial risk management**

The Schemes' investing activities may expose them to a variety of financial risks: market risk (including interest rate risk, foreign currency risk and price risk), liquidity risk and credit risk.

The Schemes' overall risk management programme focuses on ensuring compliance with the Schemes' Product Disclosure Statements and governing documents and seeks to maximise the returns derived for the level of risk to which the Schemes are exposed. The Schemes may include some derivative financial instruments in their portfolios to manage market risk exposure. Financial risk management is carried out by the investment manager in accordance with the investment guidelines, as outlined in the Schemes' Product Disclosure Statements. Compliance with the Schemes' investment guidelines is monitored daily and any material breaches are reported to the Board of the Responsible Entity.

The Schemes use different methods to measure different types of risk to which they are exposed. The Board of the Responsible Entity has overall responsibility for the establishment and oversight of the Schemes' risk management framework including the review of investment performance, effectiveness of the investment process and adequacy of investment management reporting.

The financial risk management disclosures are prepared on the basis of the direct holdings of the Schemes without looking through to indirect exposure.

While the COVID-19 pandemic has caused uncertainty and market volatility during the period, the Responsible Entity has continued to follow its established policies and process (as set out in this note) in managing risk and determining the fair value of the financial asset and liabilities as at the reporting date. No changes were required to the principles used in applying the fair value measurement hierarchy to financial assets and liabilities held, with each asset and liability continuing to be classified in a manner which reflects an active market quotation or significance and observability of the inputs used in the valuation.

**(a) Market risk**

*(i) Interest rate risk exposures*

Interest rate risk is the risk that changes in interest rates will affect future cash flows or the fair values of financial instruments.

The exposure to interest rate risk is limited to cash and cash equivalents which earn a rate of interest. Interest rate risk is therefore considered not material and consequently interest rate sensitivity has not been presented.

*(ii) Foreign currency risk*

Foreign exchange risk arises as the value of the monetary assets and liabilities denominated in other currencies fluctuates due to changes in exchange rates. The Schemes do not directly hold any foreign currency monetary assets or liabilities at the end of the reporting period and therefore there is no corresponding foreign currency risk exposure.

*(iii) Price risk*

The Schemes are exposed to price risk through their investments in listed equity securities and unit trusts. This arises from investments held by the Schemes for which prices in the future are uncertain. All investments present a risk of loss of unitholders' funds. The maximum risk resulting from the Schemes' financial instruments is represented by the fair value of those instruments. The investment manager manages other price risk through diversification and careful selection of securities within specified limits set out in the Schemes' Product Disclosure Statements.

The Schemes' exposure to price risk is measured by sensitivity analysis and is included in the table below.

*(iv) Summarised sensitivity analysis*

The following table summarises the sensitivity of the Schemes' profit or loss, and net assets attributable to unitholders, to price risk.

The 'reasonably possible' movements in the risk variables have been determined based on management's best estimate having regard to factors such as past movements in the ASX 200 Accumulation Index along with prevailing securities and global market conditions. However, historic variations in risk variables are not a definitive indicator of future variations so that actual movements may be greater or less than anticipated due to various factors impacting on the performance of the economies, markets and securities in which the Schemes invest.

The following analysis is based on the assumption that market indices increased or decreased by 25% (2020: 30%) with all other variables held constant.

**Tyndall Australian Equities Trusts**  
(formerly Nikko AM Australian Equities Trusts)

**Notes to the financial statements**  
**For the year ended 30 June 2021**

**Note 10: Financial risk management (continued)**

**(a) Market risk (continued)**

(iv) *Summarised sensitivity analysis (continued)*

|   | Price Risk   |              |
|---|--------------|--------------|
|   | +25%         | -25%         |
| <b>30 June 2021</b>                         | <b>\$000</b> | <b>\$000</b> |
| Tyndall Australian Share Wholesale Fund     | 187,090      | (187,090)    |
| Tyndall Australian Share Income Fund        | 39,464       | (39,464)     |
| Tyndall Australian Share Concentrated Fund  | 4,964        | (4,964)      |
| <br>  |              |              |
| <b>30 June 2020</b>                         | <b>+30%</b>  | <b>-30%</b>  |
|   | <b>\$000</b> | <b>\$000</b> |
| Nikko AM Australian Share Wholesale Fund    | 205,612      | (205,612)    |
| Nikko AM Australian Share Income Fund       | 54,908       | (54,908)     |
| Nikko AM Australian Share Concentrated Fund | 11,606       | (11,606)     |

**(b) Liquidity risk**

Liquidity risk refers to the risk that financial obligations will not be able to be met as and when they fall due. The Schemes' approach to managing liquidity is to ensure, as far as possible, that they will always have sufficient liquidity to meet their liabilities as and when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Schemes' overall value and reputation.

The Schemes' Constitutions provide for the daily application and redemption of units and they are therefore exposed to the liquidity risk of meeting unitholders redemptions at any time.

The Schemes' liquidity is managed on a daily basis by the investment manager and all sale and purchase trades are settled within the stated terms. Cash positions are independently monitored and reported on a daily basis to ensure each portfolio has sufficient capacity to meet the Schemes' obligations.

Financial liabilities of the Schemes comprise payables, distributions payable and net assets attributable to unitholders. Payables and distributions payable have no contractual maturities but are typically settled within 30 days.

Net assets attributable to unitholders are payable on demand, however the Responsible Entity has the power under the Schemes' Constitutions to amend the timing of redemption payments.

The Schemes have no other liabilities except for those noted above, a maturity analysis for financial liabilities has not been presented at reporting date for the Schemes.

**(c) Credit risk**

The Schemes are subject to credit risk which arises from their holdings of cash and cash equivalents. The Schemes' exposure to credit risk arises from potential default by the counter-party, with maximum exposure equal to the value of cash and cash equivalents.

Substantially all of the cash held by the Schemes is held with a foreign authorised deposit taking institution or major Australian banks which have minimum credit rating of A, according to service provider's approved credit rating.

Credit risk is not considered to be significant to the Schemes as the Schemes have no exposure to interest bearing securities.

**(d) Fair value estimation**

The Schemes value their investments in accordance with the accounting policies set out in note 2(c).

**Tyndall Australian Equities Trusts**  
**(formerly Nikko AM Australian Equities Trusts)**

**Notes to the financial statements**  
**For the year ended 30 June 2021**

**Note 10: Financial risk management (continued)**

**(e) Fair value measurement**

The Schemes classify fair value measurement using a fair value hierarchy that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Inputs that are quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

**Valuation processes**

Portfolio reviews are undertaken regularly by management to identify securities that potentially may not be actively traded or have stale security pricing. This process identifies securities which possibly could be regarded as being level 3 securities. Further analysis, should it be required, is undertaken to determine the accounting significance of the identification. For certain security types, in selecting the most appropriate valuation model, management performs back testing and considers actual market transactions. Changes in allocation to or from level 3 are analysed at the end of each reporting period.

*(i) Fair value in an active market (level 1)*

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and listed securities) is based on quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. For the majority of the Schemes' financial assets and liabilities, information provided by the quoted market independent pricing services is relied upon for valuation.

A financial instrument is regarded as quoted in an active market if the quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those represent actual and regularly occurring market transactions on an arm's length basis. An active market is a market in which transactions for the financial asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include listed equities, listed unit trusts and exchange traded derivatives.

Listed equities, listed unit trusts and exchange traded derivatives are valued at the last traded price.

*(ii) Fair value in an inactive or unquoted market (level 2 and level 3)*

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. These include the use of recent arm's length transactions, reference to current fair value of a substantially similar instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. These include certain unlisted unit trusts which are recorded at the net asset value per unit as reported by the investment manager of such trusts.

The determination of what constitutes 'observable' requires significant input by the Responsible Entity. The Responsible Entity considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

**Tyndall Australian Equities Trusts**  
(formerly Nikko AM Australian Equities Trusts)

**Notes to the financial statements**  
For the year ended 30 June 2021

**Note 10: Financial risk management (continued)**

**(e) Fair value measurement (continued)**

(ii) *Fair value in an inactive or unquoted market (level 2 and level 3) (continued)*

The following tables show an analysis of financial instruments held at the balance date, recorded at fair value by level of the fair value hierarchy:

**Tyndall Australian Share Wholesale Fund**

|  | 30 June 2021     |                  |                  |                |
|--|------------------|------------------|------------------|----------------|
|  | Level 1<br>\$000 | Level 2<br>\$000 | Level 3<br>\$000 | Total<br>\$000 |
| <b>Financial assets</b>                                      |                  |                  |                  |                |
| <b>Financial assets at fair value through profit or loss</b> |                  |                  |                  |                |
| Listed equity securities                                     | 676,741          | 2,797            | -                | 679,538        |
| Listed unit trusts   | 68,820           | -                | -                | 68,820         |
| <b>Total</b>   | 745,561          | 2,797            | -                | 748,358        |

Listed equity securities classified as Level 2 relates to investments in one equity security that was pending listing as at the balance date. This equity security was subsequently listed on the ASX on 2 July 2021.

|  | 30 June 2020     |                  |                  |                |
|--|------------------|------------------|------------------|----------------|
|  | Level 1<br>\$000 | Level 2<br>\$000 | Level 3<br>\$000 | Total<br>\$000 |
| <b>Financial assets</b>                                      |                  |                  |                  |                |
| <b>Financial assets at fair value through profit or loss</b> |                  |                  |                  |                |
| Listed equity securities                                     | 625,343          | -                | -                | 625,343        |
| Listed unit trusts   | 60,030           | -                | -                | 60,030         |
| <b>Total</b>   | 685,373          | -                | -                | 685,373        |

**Tyndall Australian Share Income Fund**

|  | 30 June 2021     |                  |                  |                |
|--|------------------|------------------|------------------|----------------|
|  | Level 1<br>\$000 | Level 2<br>\$000 | Level 3<br>\$000 | Total<br>\$000 |
| <b>Financial assets</b>                                      |                  |                  |                  |                |
| <b>Financial assets at fair value through profit or loss</b> |                  |                  |                  |                |
| Listed equity securities                                     | 138,988          | -                | -                | 138,988        |
| Listed unit trusts   | 18,869           | -                | -                | 18,869         |
| <b>Total</b>   | 157,857          | -                | -                | 157,857        |

|  | 30 June 2020     |                  |                  |                |
|--|------------------|------------------|------------------|----------------|
|  | Level 1<br>\$000 | Level 2<br>\$000 | Level 3<br>\$000 | Total<br>\$000 |
| <b>Financial assets</b>                                      |                  |                  |                  |                |
| <b>Financial assets at fair value through profit or loss</b> |                  |                  |                  |                |
| Listed equity securities                                     | 163,513          | -                | -                | 163,513        |
| Listed unit trusts   | 19,514           | -                | -                | 19,514         |
| <b>Total</b>   | 183,027          | -                | -                | 183,027        |



**Tyndall Australian Equities Trusts**  
(formerly Nikko AM Australian Equities Trusts)

**Notes to the financial statements**  
**For the year ended 30 June 2021**

**Note 10: Financial risk management (continued)**

**(e) Fair value measurement (continued)**

(ii) *Fair value in an inactive or unquoted market (level 2 and level 3) (continued)*

**Tyndall Australian Share Concentrated Fund**

|  | 30 June 2021 |         |         |        |
|--|--------------|---------|---------|--------|
|  | Level 1      | Level 2 | Level 3 | Total  |
|  | \$000        | \$000   | \$000   | \$000  |
| <b>Financial assets</b>                                      |              |         |         |        |
| <b>Financial assets at fair value through profit or loss</b> |              |         |         |        |
| Listed equity securities                                     | 17,468       | 298     | -       | 17,766 |
| Listed unit trusts   | 2,091        | -       | -       | 2,091  |
| <b>Total</b>   | 19,559       | 298     | -       | 19,857 |

Listed equity securities classified as Level 2 relates to investments in one equity security that was pending listing as at the balance date. This equity security was subsequently listed on the ASX on 2 July 2021.

|  | 30 June 2020 |         |         |        |
|--|--------------|---------|---------|--------|
|  | Level 1      | Level 2 | Level 3 | Total  |
|  | \$000        | \$000   | \$000   | \$000  |
| <b>Financial assets</b>                                      |              |         |         |        |
| <b>Financial assets at fair value through profit or loss</b> |              |         |         |        |
| Listed equity securities                                     | 34,201       | -       | -       | 34,201 |
| Listed unit trusts   | 4,487        | -       | -       | 4,487  |
| <b>Total</b>   | 38,688       | -       | -       | 38,688 |

The Schemes did not hold any financial instruments with fair value measurements using significant unobservable inputs (level 3) as at 30 June 2021 or 30 June 2020.

The Schemes' policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between the levels for the year ended 30 June 2021 and the year ended 2020. There were also no changes made to any of the valuation techniques applied as of 30 June 2021.

**Tyndall Australian Equities Trusts**  
(formerly Nikko AM Australian Equities Trusts)

**Notes to the financial statements**  
For the year ended 30 June 2021

**Note 11: Related party disclosures**

**(a) Responsible Entity**

The Responsible Entity of the Schemes is Yarra Investment Management Limited (formerly Nikko Asset Management Australia Limited) (ABN 34 002 542 038). The Responsible Entity's registered office is Level 26, One International Towers Sydney, 100 Barangaroo Avenue, Barangaroo NSW 2000. The Responsible Entity is considered a related party.

**(b) Investments**

**(i) Related party holdings of the Schemes**

The Schemes did not hold any investments in the Responsible Entity or its related parties during the year (2020: nil).

**(ii) Related party investors in the Schemes**

The Responsible Entity, its affiliates and other trusts managed by the Responsible Entity, held units in the Schemes as follows:

| 30 June 2021                                    | Number of<br>units held<br>Units (000) | Interest held<br>% | Number of<br>units acquired<br>during the year<br>Units (000) | Number of<br>units disposed<br>of during the<br>year<br>Units (000) | Distributions<br>paid/payable<br>during the year<br>\$000 |
|---|--|--------------------|---|---|---|
| <b>Tyndall Australian Share Wholesale Fund</b>  |  |                    |   |   |   |
| Yarra Growth Fund                               | 10,050                                 | 3.35               | 696   | (3,734)   | 911   |
| Yarra Conservative Fund                         | 773                                    | 0.26               | 50  | (206)   | 69  |
| Yarra Balanced Fund                             | 877                                    | 0.29               | 65  | (396)   | 82  |
| <b>30 June 2020</b>                             |  |                    |   |   |   |
| <b>Nikko AM Australian Share Wholesale Fund</b> |  |                    |   |   |   |
| Nikko AM Growth Fund                            | 13,088                                 | 3.69               | 1,208   | (393)   | 1,563   |
| Nikko AM Conservative Fund                      | 929                                    | 0.26               | 126   | (505)   | 122   |
| Nikko AM Balanced Fund                          | 1,208                                  | 0.34               | 115   | (83)  | 144   |

The Schemes that held units in the Tyndall Australian Share Wholesale Fund (formerly Nikko AM Australian Share Wholesale Fund) changed their names from Nikko AM Growth Fund, Nikko AM Conservative Fund and Nikko AM Balanced Fund to Yarra Growth Fund, Yarra Conservative Fund and Yarra Balanced Fund respectively.

**(c) Transactions with the Responsible Entity**

All transactions between the Schemes and related parties have been at market value on normal commercial terms and conditions. This includes purchases and sales of investments as well as applications and redemptions of units.

In accordance with the Schemes' Constitutions and Product Disclosure Statements, the Responsible Entity's management cost is charged as a percentage of the net asset value of the Schemes calculated on a daily basis and paid from the gross income of the Schemes monthly. For the investments by the Schemes in other related unit trusts, the Responsible Entity has ensured that the fees charged are reduced by fees already charged by the Responsible Entity for investments held by the Schemes in other related unit trusts.

| Scheme                                     | 30 June 2021<br>% | 30 June 2020<br>% |
|--|-------------------|-------------------|
| Tyndall Australian Share Wholesale Fund    | 0.80              | 0.80              |
| Tyndall Australian Share Income Fund       | 0.85              | 0.85              |
| Tyndall Australian Share Concentrated Fund | 1.00              | 1.00              |

**Tyndall Australian Equities Trusts**  
(formerly Nikko AM Australian Equities Trusts)

**Notes to the financial statements**  
**For the year ended 30 June 2021**

**Note 11: Related party disclosures (continued)**

**(c) Transactions with the Responsible Entity (continued)**

The table below shows the details of the management costs paid by the Schemes to the Responsible Entity:

|                           | Tyndall Australian Share<br>Wholesale Fund |                    | Tyndall Australian Share<br>Income Fund |                    | Tyndall Australian Share<br>Concentrated Fund |                    |
|---------------------------|--|--------------------|---|--------------------|---|--------------------|
|                           | 30 June 2021<br>\$                         | 30 June 2020<br>\$ | 30 June 2021<br>\$                      | 30 June 2020<br>\$ | 30 June 2021<br>\$                            | 30 June 2020<br>\$ |
| Responsible Entity's fees | 5,728,998                                  | 7,065,441          | 1,531,484                               | 1,871,610          | 503,377                                       | 562,958            |
| Aggregate amounts payable | 561,452                                    | 562,442            | 157,733                                 | 179,560            | 24,900  | 50,333             |

**(d) Key management personnel**

Key management personnel (KMP) includes all non-executive directors, executive directors and any other persons having authority or responsibility for planning, directing and controlling the activities of the entity. The Schemes have no direct employees, however the non-executive directors and the executive directors of the Responsible Entity have been deemed to be directors of the Schemes. These individuals and the Responsible Entity comprise the KMP of the Schemes.

*Directors of the Responsible Entity*

The names of each person holding the position of Director of the Responsible Entity at any time during the year and until the date of this report are as follows:

| Name              |   |
|-------------------|---|
| John Gee          | Appointed 1 March 2011                            |
| Sam Hallinan      | Appointed 1 April 2015, resigned 10 February 2021 |
| Naomi Edwards     | Appointed 1 October 2018                          |
| Kunihiro Asai     | Appointed 1 April 2019, resigned 12 April 2021    |
| Peter Lynn        | Appointed 10 February 2021                        |
| Priscilla Boreham | Appointed 12 April 2021                           |
| Jennifer Horriqan | Appointed 12 April 2021                           |

Remuneration paid to the Responsible Entity is detailed in note 11(c) above. No director of the Responsible Entity was paid any remuneration by the Schemes during the year and their compensation is paid by the Responsible Entity or related entities of the Responsible Entity.

*Other Key Management Personnel*

There were no other persons with responsibility for planning, directing and controlling the activities of the Schemes, directly or indirectly during the financial year.

*Key Management Personnel Unitholdings*

From time to time, the directors of the Responsible Entity may invest in or withdraw from the Schemes. These investments or withdrawals are on the same terms and conditions as those entered into by other Scheme investors.

At 30 June 2021, no key management personnel held units in the Schemes (2020: nil).

*Key Management Personnel Loan Disclosures*

The Schemes have not made, guaranteed or secured, directly or indirectly, any loans to the Responsible Entity or its related entities at any time during the financial year.

**Tyndall Australian Equities Trusts**  
(formerly Nikko AM Australian Equities Trusts)

Notes to the financial statements  
For the year ended 30 June 2021

**Note 12: Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities**

|   | Tyndall Australian Share<br>Wholesale Fund | Tyndall Australian Share<br>Fund | Tyndall Australian Share<br>Income Fund | Tyndall Australian Share<br>Concentrated Fund |
|---|--|----------------------------------|---|---|
|   | 30 June 2021                               | 30 June 2020                     | 30 June 2021                            | 30 June 2020                                  |
|   | \$000                                      | \$000                            | \$000                                   | \$000   |
| <b>(a) Cash and cash equivalents</b>  |  |                                  |   |   |
| Cash at bank  | 5,592                                      | 17,692                           | 1,185                                   | 767   |
|   | <u>5,592</u>                               | <u>17,692</u>                    | <u>1,185</u>                            | <u>767</u>                                    |
|   |  |                                  | 8,925                                   | 1,538   |
|   |  |                                  | <u>8,925</u>                            | <u>1,538</u>                                  |
| <b>(b) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>                           |  |                                  |   |   |
| (Decrease)/increase in net assets attributable to unitholders   | 181,322                                    | (189,240)                        | 38,856                                  | 7,352   |
| Distributions to unitholders  | 25,850                                     | 43,347                           | 6,397                                   | 5,238   |
| Proceeds from sale of investments   | 370,586                                    | 494,429                          | 176,177                                 | 63,268  |
| Payments for purchase of investments  | (238,078)                                  | (393,521)                        | (113,710)                               | (11,687)                                      |
| Net changes in the fair value of investments  | (192,949)                                  | 173,246                          | (39,778)                                | (11,355)                                      |
| Investment income reinvested  | (219)                                      | (3,936)                          | (124)                                   | (46)  |
| (Increase)/decrease in receivables  | (1,847)                                    | 4,688                            | (196)                                   | (53)  |
| (Decrease) in payables  | (24)                                       | (270)                            | (18)                                    | (25)  |
| <b>Net cash inflow from operating activities</b>  | <u>144,641</u>                             | <u>128,743</u>                   | <u>67,604</u>                           | <u>52,692</u>                                 |
|   |  |                                  | 14,887                                  | 10,606  |
| <b>(c) Non-cash financing and operating activities</b>  |  |                                  |   |   |
| Non-cash financing and operating activities carried out during the year on normal commercial terms and conditions included: |  |                                  |   |   |
| Distributions reinvested  | 14,821                                     | 38,836                           | 2,091                                   | 1,110   |
| Participation in reinvestment plans   | 219  | 3,936                            | 124                                     | 46  |
| In specie transfer of securities in return for units  | -  | -                                | -                                       | 21,075  |
| In specie transfer of securities out for redemption of units  | -  | (28,215)                         | -                                       | -   |

**Tyndall Australian Equities Trusts  
(formerly Nikko AM Australian Equities Trusts)**

**Notes to the financial statements  
For the year ended 30 June 2021**

**Note 13: Commitments and contingencies**

The Schemes have no contingent liabilities and commitments at the end of the financial year (2020: nil).

**Note 14: Events occurring after the reporting period**

The associated economic impacts of COVID-19 remain uncertain. As the investments are measured at their 30 June 2021 fair values in the financial report, any volatility in values subsequent to the end of the reporting period is not reflected in the statement of comprehensive income or the statement of financial position. However, the current value of investments has been reflected in the current unit price.

No other significant events have occurred since the end of the balance date which would impact on the financial position of the Schemes disclosed in the statements of financial position as at 30 June 2021 or on the results and cash flows of the Schemes for the year ended on that date.

**Tyndall Australian Equities Trusts**  
**(formerly Nikko AM Australian Equities Trusts)**

**Directors' Declaration**

In the opinion of the directors of Yarra Investment Management Limited (formerly Nikko Asset Management Australia Limited), the Responsible Entity of the Tyndall Australian Share Wholesale Fund (formerly Nikko AM Australian Share Wholesale Fund), Tyndall Australian Share Income Fund (formerly Nikko AM Australian Share Income Fund) and Tyndall Australian Share Concentrated Fund (formerly Nikko AM Australian Share Concentrated Fund) (collectively the "Schemes"):

- (a) the financial statements and notes set out on pages 5 to 27 are in accordance with the *Corporations Act 2001* (Cth), including:
- (i) giving a true and fair view of the financial position of each Scheme as at 30 June 2021 and of their performance, for the financial year ended on that date;
  - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), and the *Corporation Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Schemes will be able to pay their debts as and when they become due and payable.

The directors draw attention to note 2(a) to the financial statements, which includes a statement of compliance with the International Financial Reporting Standards.

Signed in accordance with a resolution of the directors of Yarra Investment Management Limited (formerly Nikko Asset Management Australia Limited).



Director



Director

Sydney  
24 September 2021



## Independent Auditor's Report

To the respective unitholders of the following Schemes:

- Tyndall Australian Share Wholesale Fund (formerly Nikko AM Australian Share Wholesale Fund);
- Tyndall Australian Share Income Fund (formerly Nikko AM Australian Share Income Fund); and
- Tyndall Australian Share Concentrated Fund (formerly Nikko AM Australian Share Concentrated Fund).

For the purpose of this report, the term Scheme and Schemes denote the individual and distinct entity for which the financial information is prepared and upon which our audit is performed. Each is to be read as a singular subject matter.

### Opinion

We have audited the **Financial Reports** of the Schemes.

In our opinion, the accompanying Financial Reports of the Schemes is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Schemes' financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Reports** comprises:

- Statement of financial position as at 30 June 2021;
- Statement of comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Directors' Declaration.

### Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Reports* section of our report.

We are independent of the Schemes in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Reports in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.



## Other Information

Other Information is financial and non-financial information in the issuer of the Schemes' annual reporting which is provided in addition to the Financial Reports and the Auditor's Report. The Directors of the Responsible Entity are responsible for the Other Information.

Our opinion on the Financial Reports does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Reports, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Reports or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

## Responsibilities of the Directors for the Financial Reports

The Directors of the Responsible Entity are responsible for:

- preparing the Financial Reports that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*;
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- assessing the Schemes' ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Schemes or to cease operations, or have no realistic alternative but to do so.





## Auditor's responsibilities for the audit of the Financial Reports

Our objective is:

- to obtain reasonable assurance about whether the Financial Reports as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Reports.

A further description of our responsibilities for the audit of the Financial Reports is located at the *Auditing and Assurance Standards Board* website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our Auditor's Report.

KPMG

Karen Hopkins  
*Partner*

Sydney  
24 September 2021