
Perpetual Private Investment Funds

Annual Report
for the year ended 30 June 2024

Perpetual Investment Management Limited
ABN 18 000 866 535 AFSL 234426

Perpetual 

Perpetual Private Investment Funds Annual Report for the year ended 30 June 2024

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Directors' report

The directors of Perpetual Investment Management Limited (a wholly owned subsidiary of Perpetual Limited), the Responsible Entity of Perpetual Private Investment Funds (the Schemes), present their report together with the financial statements of the Schemes for the year ended 30 June 2024 and the auditor's report thereon.

The following are the Schemes included within this report:

Statutory name	Referred to in this document as	ARSN
Perpetual Private Australian Share Fund	"Australian Share Fund"	098 776 026
Perpetual Private Fixed Income Fund	"Fixed Income Fund"	098 776 179
Perpetual Private International Share Fund	"International Share Fund"	098 776 115
Perpetual Private Real Estate Fund	"Real Estate Fund"	098 776 302
Perpetual Private Balanced Fund	"Balanced Fund"	098 775 869
Perpetual Private Diversified Fund	"Diversified Fund"	098 775 690
Perpetual Private Growth Fund	"Growth Fund"	098 775 921

Responsible Entity

The Responsible Entity of Perpetual Private Investment Funds is Perpetual Investment Management Limited (ABN 18 000 866 535). The Responsible Entity's registered office and principal place of business is Level 18, 123 Pitt Street, Sydney, NSW 2000.

Directors

The following persons held office as directors of Perpetual Investment Management Limited during the year or since the end of the year and up to the date of this report:

A Apted (appointed 9 April 2020)

S Mosse (appointed 30 November 2023)

A Serhan (appointed 1 July 2024)

A Lo Proto (appointed 8 March 2022, resigned 30 November 2023)

A Rozenauers (appointed 9 November 2022, resigned 1 July 2024)

Directors' report (continued)

Principal activities

The Schemes invest in a wide range of asset classes and generally adopt a multi-manager approach to investing where several specialist investment managers for various asset classes are appointed to manage the assets of the Schemes.

The objective and investment strategy of the Schemes are disclosed in the respective Perpetual Select Investment Funds Product Disclosure Statement and Implemented Portfolios Product Disclosure Statement.

The Schemes did not have any employees during the year.

There were no significant changes in the nature of the Schemes' activities during the year.

Review and results of operations

During the year, the Schemes' assets were invested in accordance with the investment objective and guidelines as set out in the governing documents of the Schemes and in accordance with the provisions of the Schemes' Constitutions.

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

	Australian Share Fund		Fixed Income Fund		International Share Fund		Real Estate Fund	
	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Operating profit/(loss)	<u>160,784</u>	<u>135,243</u>	<u>29,966</u>	<u>18,088</u>	<u>387,192</u>	<u>451,978</u>	<u>100,809</u>	<u>15,035</u>
Class R								
Distributions paid and payable	<u>20,760</u>	<u>55,763</u>	<u>23</u>	<u>26</u>	<u>84,867</u>	<u>2,945</u>	<u>4,136</u>	<u>3,401</u>
Distributions (cents per unit)	<u>3.34</u>	<u>9.10</u>	<u>0.25</u>	<u>0.15</u>	<u>21.00</u>	<u>0.70</u>	<u>2.02</u>	<u>1.77</u>
Class I								
Distributions paid and payable	<u>10,043</u>	<u>17,870</u>	<u>7,214</u>	<u>2,630</u>	<u>338,347</u>	<u>19,667</u>	<u>12,872</u>	<u>11,305</u>
Distributions (cents per unit)	<u>2.70</u>	<u>6.74</u>	<u>0.55</u>	<u>0.22</u>	<u>26.08</u>	<u>1.56</u>	<u>4.05</u>	<u>3.50</u>

Directors' report (continued)

Review and results of operations (continued)

	Balanced Fund		Diversified Fund		Growth Fund	
	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Profit/(loss)	<u>5,380</u>	9,906	<u>1,379</u>	1,867	<u>4,554</u>	5,073
Distributions paid and payable	<u>8,333</u>	13,209	<u>1,109</u>	1,115	<u>2,820</u>	1,299
Distributions (cents per unit)	<u>14.79</u>	18.45	<u>7.48</u>	5.53	<u>9.17</u>	3.96

Interests in the Schemes

The movement in units on issue in the Schemes during the year is disclosed in note 5 to the financial statements.

The value of the Schemes' assets and liabilities is disclosed in the statements of financial position and derived using the basis set out in note 2 to the financial statements.

Significant changes in state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Schemes during the financial year.

Matters subsequent to the end of the financial year

Subsequent to the reporting date, market volatility has impacted the valuation of Real Estate Fund's investments by 13%. No adjustment has been made to the fair value of the Scheme's investments reported in the 30 June 2024 financial report.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected or may significantly affect:

- (i) the operations 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.

Directors' report (continued)

Likely developments and expected results of operations

The Schemes will continue to be managed in accordance with the investment objective and guidelines as set out in the governing documents of the Schemes and in accordance with the provisions of the Schemes' Constitutions.

The results of the Schemes' operations will be affected by a number of factors, including the performance of investment market 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 operations of the Schemes are not subject to any particular or significant environmental regulations under a law of the Commonwealth, or of a State or Territory.

Fees paid to the Responsible Entity or its related parties

Fees paid to the Responsible Entity and its related parties out of Schemes' properties during the year are disclosed in note 12 to the financial statements.

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

Indemnity and insurance of officers and auditors

No insurance premiums are paid for out of the assets of the Schemes in regards to insurance cover provided to either the officers of Perpetual Investment Management Limited or the auditor of the Schemes. So long as the officers of Perpetual Investment Management Limited act in accordance with the Schemes' Constitutions and the law, the officers remain indemnified out of the assets of the Schemes against losses incurred while acting on behalf of the Schemes. The auditor of the Schemes is in no way indemnified out of the assets of the Schemes.

Rounding of amounts to the nearest thousand dollars

The Schemes are entities of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. Amounts in the directors' report have been rounded to the nearest thousand dollars in accordance with the legislative instrument, unless otherwise indicated.

Financial statements presentation

The Schemes are entities of a kind referred to in *ASIC Corporations (Related Scheme Reports) Instrument 2015/839*. In accordance with the legislative instrument, registered schemes with common Responsible Entity (or related Responsible Entities) are permitted to include their financial statements in adjacent columns in a single financial report.

Directors' report (continued)

Lead auditor's independence declaration

A copy of the lead auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 7.

This report is made in accordance with a resolution of the directors.



Director

Sydney

18 September 2024



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

To the Directors of Perpetual Investment Management Limited as the Responsible Entity of the following Schemes:

Perpetual Private Diversified Fund;

Perpetual Private Growth Fund;

Perpetual Private International Share Fund;

Perpetual Private Fixed Income Fund.

Perpetual Private Balanced Fund;

Perpetual Private Real Estate Fund;

Perpetual Private Australian Share Fund;

I declare that, to the best of my knowledge and belief, in relation to the audit of Perpetual Private Investment Funds for the financial year ended 30 June 2024 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

Andrew Reeves

Partner

Sydney

18 September 2024

Statements of comprehensive income

	Notes	Australian Share Fund		Fixed Income Fund		International Share Fund		Real Estate Fund	
		30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Investment income									
Dividend/distribution income		40,743	39,517	10,400	2,686	40,067	37,480	26,461	28,930
Interest income		2,369	1,758	1,730	555	4,086	3,195	853	906
Net gains/(losses) on financial instruments at fair value through profit or loss		137,397	110,689	20,674	17,481	373,487	440,755	80,591	(9,249)
Net foreign exchange gains/(losses)		3	(56)	-	-	4,170	(301)	(378)	651
Other income		14	630	-	-	524	125	-	-
Total investment income/(loss)		180,526	152,538	32,804	20,722	422,334	481,254	107,527	21,238
Expenses									
Responsible Entity's fees	12	16,419	14,974	2,838	2,634	31,289	27,241	6,138	5,696
Other expenses	3	3,323	2,321	-	-	3,853	2,035	580	507
Total expenses		19,742	17,295	2,838	2,634	35,142	29,276	6,718	6,203
Operating profit/(loss)		160,784	135,243	29,966	18,088	387,192	451,978	100,809	15,035
Finance costs									
Distributions to unitholders	4	30,803	73,633	7,237	2,656	423,214	22,612	17,008	14,706
Changes in net assets attributable to unitholders	5	129,981	61,610	22,729	15,432	(36,022)	429,366	83,801	329
Profit/(loss)		-	-	-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income		-	-	-	-	-	-	-	-

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

Statements of comprehensive income

	Notes	Balanced Fund		Diversified Fund		Growth Fund	
		30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Investment income							
Distribution income		3,120	2,014	819	490	2,980	1,211
Interest income		33	33	13	16	33	25
Net gains/(losses) on financial instruments at fair value through profit or loss		2,410	8,193	616	1,464	1,639	3,945
Total investment income/(loss)		5,563	10,240	1,448	1,970	4,652	5,181
Expenses							
Responsible Entity's fees	12	183	334	69	103	98	108
Total expenses		183	334	69	103	98	108
Profit/(loss)		5,380	9,906	1,379	1,867	4,554	5,073
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income		5,380	9,906	1,379	1,867	4,554	5,073

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

Statements of financial position

	Notes	Australian Share Fund		Fixed Income Fund		International Share Fund		Real Estate Fund	
		30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Assets									
Cash and cash equivalents	10(b)	55,571	59,105	76,675	26,905	118,682	117,674	17,643	27,364
Margin accounts		150	152	-	-	-	-	-	-
Receivables	8	8,249	16,146	12,970	2,614	41,744	33,467	11,202	11,871
Financial assets at fair value through profit or loss	6	1,445,268	1,245,163	1,195,490	1,112,816	3,215,410	2,800,016	737,649	638,498
Total assets		1,509,238	1,320,566	1,285,135	1,142,335	3,375,836	2,951,157	766,494	677,733
Liabilities									
Distributions payable	4	11,231	55,849	7,237	-	400,212	20,038	9,999	9,687
Payables	9	10,906	32,321	1,220	905	68,819	26,729	5,423	3,376
Financial liabilities at fair value through profit or loss	7	-	-	-	-	4	1	-	-
Total liabilities (excluding net assets attributable to unitholders)		22,137	88,170	8,457	905	469,035	46,768	15,422	13,063
Net assets attributable to unitholders - liability	5	1,487,101	1,232,396	1,276,678	1,141,430	2,906,801	2,904,389	751,072	664,670

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

Statements of financial position

	Notes	Balanced Fund		Diversified Fund		Growth Fund	
		30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Assets							
Cash and cash equivalents	10(b)	407	-	214	-	1,092	785
Receivables	8	2,923	4,714	661	804	2,534	1,528
Financial assets at fair value through profit or loss	6	53,426	77,216	17,036	22,554	45,969	48,246
Total assets		56,756	81,930	17,911	23,358	49,595	50,559
Liabilities							
Bank overdraft	10(b)	-	1,800	-	10	-	-
Distributions payable	4	7,834	12,561	995	985	2,500	1,062
Payables	9	14	1,186	165	63	9	1,125
Total liabilities		7,848	15,547	1,160	1,058	2,509	2,187
Net assets attributable to unitholders - equity	5	48,908	66,383	16,751	22,300	47,086	48,372

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

Statements of changes in equity

The following Schemes' net assets attributable to unitholders are classified as a liability under AASB 132 *Financial Instruments: Presentation*:

Australian Share Fund
Fixed Income Fund
International Share Fund
Real Estate Fund

As such the Schemes have no equity and no items of changes in equity have been presented for the current or comparative period.

Statements of changes in equity

	Notes	Balanced Fund		Diversified Fund		Growth Fund	
		30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Total equity at the beginning of the year	5	66,383	132,371	22,300	32,043	48,372	43,844
Comprehensive income							
Profit/(loss)		5,380	9,906	1,379	1,867	4,554	5,073
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income		5,380	9,906	1,379	1,867	4,554	5,073
Transactions with unitholders							
Applications	5	6,918	8,728	965	2,340	2,965	11,234
Redemptions	5	(24,287)	(73,933)	(7,237)	(13,545)	(6,239)	(11,578)
Units issued upon reinvestment of distributions	5	2,847	2,520	453	710	254	1,098
Distributions to unitholders	4, 5	(8,333)	(13,209)	(1,109)	(1,115)	(2,820)	(1,299)
Total transactions with unitholders		(22,855)	(75,894)	(6,928)	(11,610)	(5,840)	(545)
Total equity at the end of the year	5	48,908	66,383	16,751	22,300	47,086	48,372

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

Statements of cash flows

	Notes	Australian Share Fund		Fixed Income Fund		International Share Fund		Real Estate Fund	
		30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Cash flows from operating activities									
Proceeds from sale of financial instruments at fair value through profit or loss*		687,538	703,947	-	274,500	2,787,460	949,868	283,499	258,041
Payments for purchase of financial instruments at fair value through profit or loss*		(747,291)	(805,851)	(62,000)	(286,496)	(2,769,933)	(915,777)	(299,848)	(291,210)
Amount received from/(paid to) brokers for margin*		2	5,771	-	-	-	-	-	-
Dividends/distributions received		39,575	39,889	-	2,996	39,714	36,431	25,986	28,293
Interest received		2,333	1,694	1,576	470	3,629	2,912	871	853
Other income received		1,340	2,071	201	192	2,700	2,077	438	458
Responsible Entity's fees paid		(17,458)	(16,022)	(3,014)	(2,813)	(33,195)	(28,963)	(6,507)	(6,120)
Other expenses paid		(3,472)	(4,346)	-	-	(5,613)	(6,754)	(592)	(528)
Net cash inflow/(outflow) from operating activities*	10(a)	(37,433)	(72,847)	(63,237)	(11,151)	24,762	39,794	3,847	(10,213)
Cash flows from financing activities									
Proceeds from applications by unitholders		276,300	162,995	305,421	244,990	385,072	402,481	87,785	127,717
Payments for redemptions by unitholders		(222,127)	(150,494)	(192,414)	(204,454)	(371,280)	(324,723)	(88,430)	(99,037)
Distributions paid		(20,274)	(39,364)	-	(3,232)	(36,709)	(119,281)	(12,819)	(31,639)
Net cash inflow/(outflow) from financing activities		33,899	(26,863)	113,007	37,304	(22,917)	(41,523)	(13,464)	(2,959)
Net increase/(decrease) in cash and cash equivalents									
		(3,534)	(99,710)	49,770	26,153	1,845	(1,729)	(9,617)	(13,172)
Cash and cash equivalents at the beginning of the year		59,105	158,815	26,905	752	117,674	120,374	27,364	40,622
Effects of foreign currency exchange rate changes on cash and cash equivalents		-	-	-	-	(837)	(971)	(104)	(86)
Cash and cash equivalents at the end of the year	10(b)	55,571	59,105	76,675	26,905	118,682	117,674	17,643	27,364

*The comparatives have been presented to align with the changes adopted for current year. Refer to note 2.

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

Statements of cash flows

	Notes	Balanced Fund		Diversified Fund		Growth Fund	
		30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Cash flows from operating activities							
Proceeds from sale of financial instruments at fair value through profit or loss*		33,482	88,436	8,808	17,570	7,189	10,145
Payments for purchase of financial instruments at fair value through profit or loss*		(4,092)	(18,809)	(2,144)	(6,230)	(2,938)	(9,451)
Distributions received		1,498	9,294	372	1,717	1,122	3,612
Interest received		34	31	13	15	32	22
Other income received		14	30	6	8	8	7
Responsible Entity's fees paid		(205)	(377)	(77)	(115)	(106)	(116)
Net cash inflow/(outflow) from operating activities*	10(a)	<u>30,731</u>	<u>78,605</u>	<u>6,978</u>	<u>12,965</u>	<u>5,307</u>	<u>4,219</u>
Cash flows from financing activities							
Proceeds from applications by unitholders		6,919	8,756	969	2,336	3,177	11,021
Payments for redemptions by unitholders		(25,230)	(75,063)	(7,077)	(13,545)	(7,049)	(12,657)
Distributions paid		(10,213)	(17,316)	(646)	(1,966)	(1,128)	(4,273)
Net cash inflow/(outflow) from financing activities		<u>(28,524)</u>	<u>(83,623)</u>	<u>(6,754)</u>	<u>(13,175)</u>	<u>(5,000)</u>	<u>(5,909)</u>
Net increase/(decrease) in cash and cash equivalents		2,207	(5,018)	224	(210)	307	(1,690)
Cash and cash equivalents/(bank overdraft) at the beginning of the year		<u>(1,800)</u>	<u>3,218</u>	<u>(10)</u>	<u>200</u>	<u>785</u>	<u>2,475</u>
Cash and cash equivalents/(bank overdraft) at the end of the year	10(b)	<u>407</u>	<u>(1,800)</u>	<u>214</u>	<u>(10)</u>	<u>1,092</u>	<u>785</u>

*The comparatives have been presented to align with the changes adopted for current year. Refer to note 2.

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

1 General information

The financial statements of Perpetual Private Investment Funds (the Schemes) cover each Scheme as an individual entity. The Schemes are registered managed investment schemes under the *Corporations Act 2001*. The Schemes are domiciled in Australia.

The Responsible Entity of the Schemes is Perpetual Investment Management Limited. The Responsible Entity's registered office is Level 18, 123 Pitt Street, Sydney, NSW 2000.

The financial statements were authorised for issue by the directors of the Responsible Entity on 18 September 2024. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

2 Summary of material accounting policies

The principal accounting policies applied in the preparation of these 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 Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001* in Australia. The Schemes are for-profit entities for the purpose of preparing the financial statements.

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

The statements of financial position are presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within twelve months, except for financial assets at fair value through profit or loss and net assets attributable to unitholders.

The Schemes manage financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within twelve months, however, an estimate of that amount cannot be determined at the reporting date.

Compliance with International Financial Reporting Standards

The financial statements also comply with International Financial Reporting Standards and Interpretations issued by the International Accounting Standards Board.

Functional and presentation currency

The financial statements are presented in Australian dollars, which is the Schemes' functional currency.

2 Summary of material accounting policies (continued)

(a) Basis of preparation (continued)

Use of estimates

Management makes estimates and assumptions that affect the reported amounts in the financial statements. Estimates and associated assumptions are reviewed regularly and are based on historical experience and various other factors, including expectations of future events that are believed to be reasonable under the circumstances. Where applicable to the fair value measurement, the current changing market conditions are assessed and estimated. Actual results may differ from these estimates.

The use of estimates and critical judgements in fair value measurement that can have significant effect on the amounts recognised in the financial statements is described in note 14(d).

Comparatives

Certain comparative figures in the statements of cash flows have been presented to align with the changes adopted for current year:

- Cash flow presentation for the proceeds from sale and payments for purchase of financial instruments at fair value through profit or loss and amount received from/(paid to) brokers for margin have been reclassified from investing activities to operating activities due to voluntary changes in the Schemes' accounting policy.

There is no impact on the Schemes' financial performance, changes in equity, net assets or any other quantitative metric of the Schemes.

New standards, amendments and interpretations adopted by the Schemes

The Schemes have adopted the following Australian Accounting Standards for the reporting period beginning 1 July 2023:

- (i) AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates* [AASB 7, AASB 101, AASB 108, AASB 134 & AASB Practice Statement 2]

AASB 2021-2 became effective for annual reporting periods beginning on or after 1 January 2023. The amendments require the disclosure of material accounting policies rather than significant accounting policies and clarify the distinction between accounting policies and accounting estimates. The amendments do not result in any changes to the accounting policies.

There are no other new accounting standards, amendments and interpretations that are effective for the first time for the reporting period beginning 1 July 2023 and have a material impact on the financial statements of the Schemes.

New standards, amendments and interpretations effective after 1 July 2024 and have not been early adopted

A number of new accounting standards, amendments and interpretations have been published that are not mandatory for the 30 June 2024 reporting period and have not been early adopted in preparing these financial statements. None of these are expected to have a material impact on the financial statements of the Schemes.

2 Summary of material accounting policies (continued)

(b) Financial instruments

(i) Classification

The Schemes classify their investments based on their business model for managing those financial instruments and their contractual cash flow characteristics. The Schemes' investment portfolio is managed and its performance is evaluated on a fair value basis in accordance with the Schemes' documented investment strategy. The Schemes' policy is to evaluate the information about their investments on a fair value basis together with other related financial information.

Derivatives, equity securities and unlisted unit trusts are classified as financial assets at fair value through profit or loss.

Derivative contracts that have negative values are presented as financial liabilities at fair value through profit or loss.

(ii) Recognition/derecognition

The Schemes recognise their investments on the date they become party to the purchase contractual agreement (trade date) and recognise changes in fair value of the financial instruments from this date.

Investments are derecognised on the date the Schemes become party to the sale contractual agreement (trade date).

(iii) Measurement

At initial recognition, investments are measured at fair value. Transaction costs are expensed in profit or loss as incurred. Subsequently, all investments are measured at fair value without any deduction for estimated future selling costs. Gains and losses arising from changes in the fair value measurement are recognised in profit or loss in the period in which they arise.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Further details of fair value measurement are disclosed in note 14(d).

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statements 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.

2 Summary of material accounting policies (continued)

(c) Net assets attributable to unitholders

Units are redeemable at unitholders' option, however applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unitholders.

Under AASB 132 *Financial instruments: Presentation*, puttable financial instruments are classified as equity where they satisfy the following criteria:

- the puttable financial instruments entitle the holder to a pro-rata share of net assets in the event of the Schemes' liquidation;
- the puttable financial instruments are in the class of instruments that is subordinate to all other classes of instruments and the class features are identical;
- no contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavourable conditions to the Schemes, and it is not a contract settled in the Schemes' own equity instrument; and
- the total expected cash flows attributable to the puttable financial instruments over the life are based substantially on the profit or loss.

The Schemes that issue one class of units satisfy the above criteria and classify their net assets attributable to unitholders as equity. The redemption price of these units is a reasonable approximation of the proportionate share of the Schemes' net asset value. The carrying amount of these units at the redemption price represents the expected cash flows on redemption of these units at the reporting date if the unitholders exercise their right to put the units back to the Schemes.

The Schemes that issue more than one class of units do not meet the criteria as they have different contractual features and classify their net assets attributable to unitholders as financial liability. The carrying amount of net assets attributable to unitholders is a reasonable approximation of fair value.

(d) Cash and cash equivalents

For the purpose of presentation in the statements of cash flows, cash and cash equivalents include cash at bank and other short term and highly liquid financial assets with a maturity period of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown as liability in the statements of financial position.

The carrying amount of cash and cash equivalents is a reasonable approximation of fair value.

(e) Margin accounts

Margin accounts comprise cash held or owed as collateral for derivative transactions. The cash is held by or owed to the broker and is only available to meet margin calls. It is not included as a component of cash and cash equivalents.

The carrying amount of margin accounts is a reasonable approximation of fair value.

2 Summary of material accounting policies (continued)

(f) Receivables

Receivables include accrued income, application monies receivable and receivables for securities sold.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Schemes measure the loss allowance on receivables at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Schemes measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance.

The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible 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 profit or loss.

The carrying amount of receivables is a reasonable approximation of fair value due to their short term nature.

(g) Payables

Payables include accrued expenses, redemption monies owing by the Schemes and payables for securities purchased which are unpaid at the end of the reporting period.

The carrying amount of payables is a reasonable approximation of fair value due to their short term nature.

(h) Investment income

Interest income from financial assets at amortised cost is recognised using the effective interest method and includes interest from cash and cash equivalents.

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

Other changes in fair value for such instruments are recorded in accordance with the accounting policies described in note 2(b).

(i) Expenses

All expenses, including Responsible Entity's fees, are recognised in profit or loss on an accruals basis.

2 Summary of material accounting policies (continued)

(j) Income tax

The Schemes are not subject to income tax provided the taxable income of the Schemes are attributed to their unitholders each financial year. Unitholders are subject to income tax at their own marginal tax rates on amounts attributable to them.

The benefits of franking credits and foreign tax paid are passed on to unitholders, provided certain conditions are met.

(k) Distributions

In accordance with the Schemes' Constitutions, the Schemes distribute their distributable income and any other amounts as determined by the Responsible Entity.

(l) Changes in net assets attributable to unitholders

Income not distributed from the Schemes offering multiple unit classes is included in net assets attributable to unitholders. Changes in net assets attributable to unitholders are recognised in profit or loss as finance costs.

(m) Goods and Services Tax

The Goods and Services Tax (GST) is incurred on the cost of various services provided to the Schemes by third parties. The Schemes qualify for Reduced Input Tax Credit (RITC); hence expenses such as Responsible Entity's fees have been recognised in profit or loss net of the amount of GST recoverable from the Australian Taxation Office. Payables are inclusive of GST. The net amount of GST recoverable is included in receivables in the statements of financial position. Cash flows are included in the statements of cash flows on a gross basis.

(n) Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in profit or loss on a net basis within net gains/(losses) on financial instruments at fair value through profit or loss.

2 Summary of material accounting policies (continued)

(o) Rounding of amounts

The Schemes are entities of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. Amounts in the financial statements have been rounded to the nearest thousand dollars in accordance with the legislative instrument, unless otherwise indicated.

3 Other expenses

	Australian Share Fund		International Share Fund		Real Estate Fund	
	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Transaction costs	1,883	1,793	3,822	1,943	580	507
Performance fees	1,440	528	-	66	-	-
Sundry expenses	-	-	31	26	-	-
Total	3,323	2,321	3,853	2,035	580	507

4 Distributions to unitholders

The distributions for the year were as follows:

	Australian Share Fund				Fixed Income Fund			
	30 June 2024 \$'000	30 June 2024 CPU	30 June 2023 \$'000	30 June 2023 CPU	30 June 2024 \$'000	30 June 2024 CPU	30 June 2023 \$'000	30 June 2023 CPU
Class R								
Distributions paid - September	3,831	0.59	2,902	0.45	-	-	17	0.10
Distributions paid - December	6,613	1.02	6,418	1.02	-	-	9	0.05
Distributions paid - March	3,138	0.52	4,444	0.71	-	-	-	-
Distributions payable - June	7,178	1.21	41,999	6.92	23	0.25	-	-
	<u>20,760</u>		<u>55,763</u>		<u>23</u>		<u>26</u>	
Class I								
Distributions paid - September	1,524	0.48	840	0.39	-	-	2,039	0.17
Distributions paid - December	2,683	0.77	1,768	0.76	-	-	591	0.05
Distributions paid - March	1,783	0.46	1,412	0.56	-	-	-	-
Distributions payable - June	4,053	0.99	13,850	5.03	7,214	0.55	-	-
	<u>10,043</u>		<u>17,870</u>		<u>7,214</u>		<u>2,630</u>	
Total distributions	<u>30,803</u>		<u>73,633</u>		<u>7,237</u>		<u>2,656</u>	

4 Distributions to unitholders (continued)

	International Share Fund				Real Estate Fund			
	30 June 2024 \$'000	30 June 2024 CPU	30 June 2023 \$'000	30 June 2023 CPU	30 June 2024 \$'000	30 June 2024 CPU	30 June 2023 \$'000	30 June 2023 CPU
Class R								
Distributions paid - September	414	0.10	92	0.02	472	0.23	479	0.25
Distributions paid - December	2,452	0.59	-	-	207	0.10	73	0.04
Distributions paid - March	820	0.20	-	-	961	0.47	524	0.28
Distributions payable - June	81,181	20.11	2,853	0.68	2,496	1.22	2,325	1.20
	<u>84,867</u>		<u>2,945</u>		<u>4,136</u>		<u>3,401</u>	
Class I								
Distributions paid - September	2,831	0.22	1,490	0.12	1,558	0.49	1,673	0.52
Distributions paid - December	11,092	0.87	890	0.07	1,001	0.31	547	0.16
Distributions paid - March	5,393	0.42	102	0.01	2,810	0.88	1,723	0.53
Distributions payable - June	319,031	24.57	17,185	1.36	7,503	2.37	7,362	2.29
	<u>338,347</u>		<u>19,667</u>		<u>12,872</u>		<u>11,305</u>	
Total distributions	<u>423,214</u>		<u>22,612</u>		<u>17,008</u>		<u>14,706</u>	

4 Distributions to unitholders (continued)

	Balanced Fund				Diversified Fund			
	30 June 2024	30 June 2024	30 June 2023	30 June 2023	30 June 2024	30 June 2023	30 June 2023	
	\$'000	CPU	\$'000	CPU	\$'000	\$'000	CPU	
Distributions paid - September	137	0.19	213	0.17	30	0.18	52	0.17
Distributions paid - December	252	0.38	232	0.24	56	0.36	40	0.19
Distributions paid - March	110	0.19	203	0.25	28	0.18	38	0.18
Distributions payable - June	7,834	14.03	12,561	17.79	995	6.76	985	4.99
Total distributions	8,333		13,209		1,109		1,115	

	Growth Fund			
	30 June 2024	30 June 2024	30 June 2023	30 June 2023
	\$'000	CPU	\$'000	CPU
Distributions paid - September	80	0.25	62	0.19
Distributions paid - December	172	0.57	80	0.24
Distributions paid - March	68	0.22	95	0.29
Distributions payable - June	2,500	8.13	1,062	3.24
Total distributions	2,820		1,299	

5 Net assets attributable to unitholders

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

	Australian Share Fund				Fixed Income Fund			
	30 June 2024 Units'000	30 June 2023 Units'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 Units'000	30 June 2023 Units'000	30 June 2024 \$'000	30 June 2023 \$'000
Net assets attributable to unitholders - liability								
Class R								
Opening balance	606,552	568,148	937,255	832,410	16,874	19,656	15,813	18,246
Applications	45,284	24,554	70,689	38,610	105	2,054	99	1,929
Redemptions	(92,271)	(87,958)	(150,367)	(136,270)	(7,728)	(4,840)	(7,276)	(4,518)
Units issued upon reinvestment of distributions	35,300	101,808	55,147	149,790	-	4	-	4
Changes in net assets attributable to unitholders	-	-	94,500	52,715	-	-	185	152
Closing balance	594,865	606,552	1,007,224	937,255	9,251	16,874	8,821	15,813
Class I								
Opening balance	275,463	194,295	295,141	197,052	1,186,297	1,139,256	1,125,617	1,065,946
Applications	178,628	117,543	200,581	128,981	317,249	257,907	305,117	244,460
Redemptions	(45,615)	(36,375)	(51,326)	(39,787)	(193,785)	(210,866)	(185,421)	(200,069)
Changes in net assets attributable to unitholders	-	-	35,481	8,895	-	-	22,544	15,280
Closing balance	408,476	275,463	479,877	295,141	1,309,761	1,186,297	1,267,857	1,125,617
Total			1,487,101	1,232,396			1,276,678	1,141,430

5 Net assets attributable to unitholders (continued)

	International Share Fund				Real Estate Fund			
	30 June 2024 Units'000	30 June 2023 Units'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 Units'000	30 June 2023 Units'000	30 June 2024 \$'000	30 June 2023 \$'000
Net assets attributable to unitholders - liability								
Class R								
Opening balance	421,234	463,196	632,820	592,495	193,548	182,761	175,753	166,003
Applications	28,758	24,998	45,264	34,364	19,783	24,446	18,648	22,902
Redemptions	(50,451)	(94,528)	(80,505)	(130,823)	(12,455)	(24,533)	(12,066)	(22,847)
Units issued upon reinvestment of distributions	4,108	27,568	6,331	35,262	4,100	10,874	3,877	9,845
Changes in net assets attributable to unitholders	-	-	(3,728)	101,522	-	-	23,042	(150)
Closing balance	403,649	421,234	600,182	632,820	204,976	193,548	209,254	175,753
Class I								
Opening balance	1,263,812	1,169,109	2,271,569	1,789,895	321,604	304,184	488,917	461,712
Applications	176,346	222,797	338,757	367,945	41,479	67,032	67,629	103,938
Redemptions	(141,655)	(128,094)	(271,413)	(214,115)	(46,375)	(49,612)	(75,487)	(77,212)
Changes in net assets attributable to unitholders	-	-	(32,294)	327,844	-	-	60,759	479
Closing balance	1,298,503	1,263,812	2,306,619	2,271,569	316,708	321,604	541,818	488,917
Total			2,906,801	2,904,389			751,072	664,670

5 Net assets attributable to unitholders (continued)

	Balanced Fund				Diversified Fund			
	30 June 2024 Units'000	30 June 2023 Units'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 Units'000	30 June 2023 Units'000	30 June 2024 \$'000	30 June 2023 \$'000
Net assets attributable to unitholders - equity								
Opening balance	70,598	129,261	66,383	132,371	19,764	29,194	22,300	32,043
Applications	7,213	8,222	6,918	8,728	816	2,086	965	2,340
Redemptions	(24,989)	(69,343)	(24,287)	(73,933)	(6,258)	(12,161)	(7,237)	(13,545)
Units issued upon reinvestment of distributions	3,023	2,458	2,847	2,520	400	645	453	710
Distributions to unitholders	-	-	(8,333)	(13,209)	-	-	(1,109)	(1,115)
Profit/(loss)	-	-	5,380	9,906	-	-	1,379	1,867
Closing balance	55,845	70,598	48,908	66,383	14,722	19,764	16,751	22,300

	Growth Fund			
	30 June 2024 Units'000	30 June 2023 Units'000	30 June 2024 \$'000	30 June 2023 \$'000
Net assets attributable to unitholders - equity				
Opening balance	32,786	32,204	48,372	43,844
Applications	1,924	7,860	2,965	11,234
Redemptions	(4,141)	(8,083)	(6,239)	(11,578)
Units issued upon reinvestment of distributions	171	805	254	1,098
Distributions to unitholders	-	-	(2,820)	(1,299)
Profit/(loss)	-	-	4,554	5,073
Closing balance	30,740	32,786	47,086	48,372

5 Net assets attributable to unitholders (continued)

As stipulated within the Schemes' Constitutions, each unit represents a right to an individual unit in the Schemes or the relevant class within the Schemes and does not extend to a right to the underlying assets of the Schemes. For Schemes that issue a single unit class, each unit has the same rights attached to it as all other units of the Schemes. For Schemes that issue multiple unit classes, each unit in each class of the Schemes has the same rights attached to it as all other units in the same class. All classes of units are exposed to the same underlying pool of assets. The unit classes are generally differentiated by the management fee structure.

Capital risk management

The Schemes consider their net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders for certain Schemes are classified as a liability. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Schemes are subject to daily applications and daily redemptions at the discretion of unitholders.

Applications and redemptions are reviewed relative to the liquidity of the Schemes' underlying assets on a daily basis by the Responsible Entity. Under the terms of the Schemes' Constitutions, the Responsible Entity has the discretion to reject an application and to defer or adjust a redemption if the exercise of such discretion is in the best interests of unitholders.

6 Financial assets at fair value through profit or loss

	Australian Share Fund		Fixed Income Fund		International Share Fund		Real Estate Fund	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Derivatives								
Futures	3	12	-	-	-	-	-	-
Foreign currency forward contracts	-	50	-	-	9	5	16	-
Warrants	-	1	-	-	-	-	-	-
Equity securities	1,445,265	1,245,100	-	-	3,215,401	2,800,011	737,633	638,498
Unlisted unit trusts	-	-	1,195,490	1,112,816	-	-	-	-
Total financial assets at fair value through profit or loss	1,445,268	1,245,163	1,195,490	1,112,816	3,215,410	2,800,016	737,649	638,498

6 Financial assets at fair value through profit or loss (continued)

	Balanced Fund		Diversified Fund		Growth Fund	
	30 June	30 June	30 June	30 June	30 June	30 June
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Unlisted unit trusts	<u>53,426</u>	77,216	<u>17,036</u>	22,554	<u>45,969</u>	48,246
Total financial assets at fair value through profit or loss	<u>53,426</u>	<u>77,216</u>	<u>17,036</u>	<u>22,554</u>	<u>45,969</u>	<u>48,246</u>

7 Financial liabilities at fair value through profit or loss

	International Share Fund	
	30 June	30 June
	2024	2023
	\$'000	\$'000
Derivatives		
Foreign currency forward contracts	<u>4</u>	<u>1</u>
Total financial liabilities at fair value through profit or loss	<u>4</u>	<u>1</u>

8 Receivables

	Australian Share Fund		Fixed Income Fund		International Share Fund		Real Estate Fund	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Dividends/distributions receivable	5,166	4,015	10,400	-	2,827	3,047	5,959	6,292
Withholding tax receivable	1	7	-	-	3,021	2,448	287	221
Interest receivable	198	162	241	87	790	333	48	66
Applications receivable	853	5,883	2,256	2,461	1,102	2,153	179	1,687
Receivables for securities sold	1,475	5,640	-	-	33,191	24,786	4,562	3,461
Other receivables	556	439	73	66	813	700	167	144
Total receivables	8,249	16,146	12,970	2,614	41,744	33,467	11,202	11,871

	Balanced Fund		Diversified Fund		Growth Fund	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Distributions receivable	2,521	899	659	212	2,526	668
Interest receivable	2	3	1	1	4	3
Applications receivable	-	1	-	4	1	213
Receivables for securities sold	395	3,805	-	585	-	640
Other receivables	5	6	1	2	3	4
Total receivables	2,923	4,714	661	804	2,534	1,528

9 Payables

	Australian Share Fund		Fixed Income Fund		International Share Fund		Real Estate Fund	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Responsible Entity's fees payable	1,523	1,361	269	237	2,952	2,569	578	498
Performance fees payable	631	538	-	-	-	1,760	-	-
Redemptions payable	5,241	25,675	951	668	976	20,338	154	1,031
Payables for securities purchased	3,511	4,747	-	-	64,891	2,062	4,691	1,847
Total payables	10,906	32,321	1,220	905	68,819	26,729	5,423	3,376

	Balanced Fund		Diversified Fund		Growth Fund	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Responsible Entity's fees payable	14	23	5	8	9	10
Redemptions payable	-	943	160	-	-	810
Payables for securities purchased	-	220	-	55	-	305
Total payables	14	1,186	165	63	9	1,125

10 Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities

	Australian Share Fund		Fixed Income Fund		International Share Fund		Real Estate Fund	
	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
(a) Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities								
Operating profit/(loss)	160,784	135,243	29,966	18,088	387,192	451,978	100,809	15,035
Proceeds from sale of financial instruments at fair value through profit or loss*	687,538	703,947	-	274,500	2,787,460	949,868	283,499	258,041
Payments for purchase of financial instruments at fair value through profit or loss*	(747,291)	(805,851)	(62,000)	(286,496)	(2,769,933)	(915,777)	(299,848)	(291,210)
Amount received from/(paid to) brokers for margin*	2	5,771	-	-	-	-	-	-
(Increase)/decrease in dividends/distributions receivable	(1,151)	205	(10,400)	310	220	(210)	333	(887)
(Increase)/decrease in withholding tax receivable	6	167	-	-	(573)	(839)	(66)	250
(Increase)/decrease in interest receivable	(36)	(64)	(154)	(85)	(457)	(283)	18	(53)
(Increase)/decrease in other receivables	(117)	180	(7)	(1)	(113)	(41)	(23)	20
Increase/(decrease) in payables	255	(1,812)	32	14	(1,377)	(4,448)	80	(7)
Net (gains)/losses on financial instruments at fair value through profit or loss	(137,397)	(110,689)	(20,674)	(17,481)	(373,487)	(440,755)	(80,591)	9,249
Net foreign exchange (gains)/losses	(3)	56	-	-	(4,170)	301	378	(651)
AMIT cost base adjustments	(23)	-	-	-	-	-	(742)	-
Net cash inflow/(outflow) from operating activities*	(37,433)	(72,847)	(63,237)	(11,151)	24,762	39,794	3,847	(10,213)
(b) Components of cash and cash equivalents								
Cash at the end of the year as shown in the statements of cash flows is reconciled to the statements of financial position as follows:								
Cash at bank	55,571	59,105	76,675	26,905	118,682	117,674	17,643	27,364
Total cash and cash equivalents	55,571	59,105	76,675	26,905	118,682	117,674	17,643	27,364
(c) Non-cash financing activities								
Distribution payments satisfied by the issue of units under the distribution reinvestment plans	55,147	149,790	-	4	6,331	35,262	3,877	9,845

*The comparatives have been presented to align with the changes adopted for current year. Refer to note 2.

10 Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities (continued)

	Balanced Fund		Diversified Fund		Growth Fund	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities						
Profit/(loss)	5,380	9,906	1,379	1,867	4,554	5,073
Proceeds from sale of financial instruments at fair value through profit or loss*	33,482	88,436	8,808	17,570	7,189	10,145
Payments for purchase of financial instruments at fair value through profit or loss*	(4,092)	(18,809)	(2,144)	(6,230)	(2,938)	(9,451)
(Increase)/decrease in distributions receivable	(1,622)	7,280	(447)	1,227	(1,858)	2,401
(Increase)/decrease in interest receivable	1	(2)	-	(1)	(1)	(3)
(Increase)/decrease in other receivables	1	6	1	-	1	(1)
Increase/(decrease) in payables	(9)	(19)	(3)	(4)	(1)	-
Net (gains)/losses on financial instruments at fair value through profit or loss	(2,410)	(8,193)	(616)	(1,464)	(1,639)	(3,945)
Net cash inflow/(outflow) from operating activities*	30,731	78,605	6,978	12,965	5,307	4,219
(b) Components of cash and cash equivalents						
Cash at the end of the year as shown in the statements of cash flows is reconciled to the statements of financial position as follows:						
Cash at bank	407	-	214	-	1,092	785
Bank overdraft	-	(1,800)	-	(10)	-	-
Total cash and cash equivalents/(bank overdraft)	407	(1,800)	214	(10)	1,092	785
(c) Non-cash financing activities						
Distribution payments satisfied by the issue of units under the distribution reinvestment plans	2,847	2,520	453	710	254	1,098

*The comparatives have been presented to align with the changes adopted for current year. Refer to note 2.

11 Remuneration of auditors

	Australian Share Fund		Fixed Income Fund		International Share Fund		Real Estate Fund	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$	\$	\$	\$	\$	\$	\$	\$
Amount received or due and receivable by KPMG:								
Audit of financial statements	14,092	15,035	7,993	8,528	14,092	15,035	14,092	15,035
Other regulatory assurance services	5,456	5,187	4,279	4,046	5,456	5,187	5,456	5,187
Total	19,548	20,222	12,272	12,574	19,548	20,222	19,548	20,222

	Balanced Fund		Diversified Fund		Growth Fund	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$	\$	\$	\$	\$	\$
Amount received or due and receivable by KPMG:						
Audit of financial statements	10,382	11,076	7,416	7,912	10,382	11,076
Other regulatory assurance services	4,368	4,132	4,257	4,025	4,368	4,132
Total	14,750	15,208	11,673	11,937	14,750	15,208

Audit fees were paid or payable by the Responsible Entity.

12 Related party transactions

Responsible Entity

The Responsible Entity of Perpetual Private Investment Funds is Perpetual Investment Management Limited (ABN 18 000 866 535), a wholly owned subsidiary of Perpetual Limited (ACN 000 431 827).

The Schemes do not employ personnel in their own right. However, they are required to have an incorporated Responsible Entity to manage the activities of the Schemes and this is considered the key management personnel.

Key management personnel

(a) Directors

The directors of Perpetual Investment Management Limited during the year or since the end of the year and up to the date of this report were as follows:

A Apted (appointed 9 April 2020)

S Mosse (appointed 30 November 2023)

A Serhan (appointed 1 July 2024)

A Lo Proto (appointed 8 March 2022, resigned 30 November 2023)

A Rozenauers (appointed 9 November 2022, resigned 1 July 2024)

(b) 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 year or since the end of the year.

Transactions with key management personnel

Key management personnel services are provided by Perpetual Investment Management Limited and included in the Responsible Entity's fees. There is no separate charge for these services. There was no compensation paid directly by the Schemes to any of the key management personnel during the year.

The Schemes have not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their related entities at any time during the reporting period.

12 Related party transactions (continued)

Responsible Entity's fees and other transactions

Under the terms of the Schemes' Constitutions (as amended), the Responsible Entity is entitled to receive management fees. The Schemes incurred management fees (inclusive of GST and net of RITC) at the fee rates disclosed in the table below. The management fees are calculated by reference to the net asset value of the relevant unit classes of the Schemes offering multiple unit classes or the net asset values of the Schemes offering a single unit class. Where the Schemes invest into other schemes, the Responsible Entity's fees are calculated after rebating management fees charged in the underlying schemes.

Schemes	Responsible Entity's fees % p.a.
Australian Share Fund - Class R	1.28
Australian Share Fund - Class I	0.90
Fixed Income Fund - Class R	0.99
Fixed Income Fund - Class I	0.47
International Share Fund - Class R	1.30
International Share Fund - Class I	0.93
Real Estate Fund - Class R	1.25
Real Estate Fund - Class I	0.70
Balanced Fund	1.13
Diversified Fund	1.07
Growth Fund	1.16

12 Related party transactions (continued)

Responsible Entity's fees and other transactions (continued)

The transactions during the year and amounts payable at the reporting date between the Schemes and the Responsible Entity were as follows:

	Australian Share Fund		Fixed Income Fund		International Share Fund		Real Estate Fund	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$	\$	\$	\$	\$	\$	\$	\$
Responsible Entity's fees	16,419,290	14,974,280	2,837,641	2,634,303	31,288,815	27,241,251	6,138,342	5,696,235
Responsible Entity's fees payable	1,523,183	1,361,257	268,636	236,526	2,952,130	2,568,693	577,788	497,774

	Balanced Fund		Diversified Fund		Growth Fund	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$	\$	\$	\$	\$	\$
Responsible Entity's fees	183,116	334,215	69,368	103,035	98,439	107,790
Responsible Entity's fees payable	13,617	23,045	5,484	7,685	8,799	9,817

13 Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factors in deciding control and the relevant activities are directed by means of contractual arrangements.

The Schemes consider all investments in unlisted unit trusts to be structured entities. The Schemes invest in unlisted unit trusts for the purpose of capital appreciation and earning investment income.

The unlisted unit trusts are invested in accordance with the investment strategy by their respective investment managers. The return of the unlisted unit trusts is exposed to the variability of the performance of their investments. The unlisted unit trusts finance their operations by issuing redeemable units which are puttable at the holder's option and entitle the holder to a proportional stake in the respective trusts' net assets and distributions.

13 Structured entities (continued)

The Schemes' exposure to structured entities at fair value is disclosed in the following tables:

	Fixed Income Fund		Balanced Fund		Diversified Fund		Growth Fund	
	Fair value		Fair value		Fair value		Fair value	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Perpetual Defensive Alternatives Pool Fund	-	-	2,955	4,869	927	1,422	1,584	2,030
Perpetual Growth Alternatives Pool Fund	-	-	5,839	9,769	1,834	2,850	5,927	7,125
Perpetual Private Australian Fixed Income Fund	479,451	439,239	4,588	6,114	2,348	2,934	1,966	1,849
Perpetual Private Australian Share Fund	-	-	12,472	16,245	3,233	3,850	12,789	12,082
Perpetual Private Global Fixed Income Fund	716,039	673,577	7,329	9,893	3,564	4,500	2,909	2,721
Perpetual Private International Share Fund	-	-	16,900	26,398	4,242	6,078	17,389	19,487
Perpetual Private Real Estate Fund	-	-	3,343	3,928	888	920	3,405	2,952
Total	1,195,490	1,112,816	53,426	77,216	17,036	22,554	45,969	48,246

The fair value of these entities is included in financial assets at fair value through profit or loss in the statements of financial position.

The Schemes' maximum exposure to loss from their interests in the structured entities is equal to the total fair value of their investments in these entities as there are no off balance sheet exposures relating to them. The Schemes' exposure to any risk from the structured entities will cease when these investments are disposed of.

The Schemes do not have current commitments or intentions and contractual obligations to provide financial or other support to the structured entities. There are no loans or advances currently made to these entities.

13 Structured entities (continued)

Unconsolidated subsidiaries

The Schemes apply the investment entity exception to consolidation available under AASB 10 *Consolidated Financial Statements* and measure their subsidiaries at fair value through profit or loss.

The following unconsolidated structured entities are considered to be the subsidiaries of the Fixed Income Fund at the reporting date:

	Fair value		Ownership interest	
	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 %	30 June 2023 %
Perpetual Private Australian Fixed Income Fund	479,451	439,239	81.1	73.5
Perpetual Private Global Fixed Income Fund	716,039	673,577	80.6	76.6

The principal place of business for the above entities is Sydney, Australia.

14 Financial risk management

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

A risk management framework has been established by the Responsible Entity of the Schemes to monitor the Schemes' compliance with their governing documents and to minimise risks in their investment activities. This framework incorporates a regular assessment process to ensure procedures and controls adequately manage the investment activities. The Schemes are permitted to use derivative products. However, the use of derivatives must be consistent with the investment strategy and restrictions specified in the Schemes' governing documents.

All investment securities present a risk of loss of capital. The maximum loss of capital on investment securities is generally limited to the fair values of those positions. The maximum loss of capital on derivatives is limited to the notional contract values of those positions.

The Schemes' asset managers aim to manage these risks through the use of consistent and carefully considered investment strategy and guidelines specifically tailored for the Schemes' investment objective. Risk management techniques are used in the selection of investments. Asset managers will only purchase securities (including derivatives) which meet the prescribed investment criteria. Risk may also be reduced by diversifying investments across several asset managers, markets, regions or different asset classes and counterparties.

The Schemes use different methods to measure different types of risks to which they are exposed. These methods include sensitivity analysis in the case of currency risk, interest rate risk and price risk; and credit ratings analysis for credit risk.

14 Financial risk management (continued)

(a) Market risk

(i) Currency risk

Currency risk arises as the fair value or future cash flows of monetary assets and liabilities denominated in foreign currency will fluctuate due to changes in exchange rates. The currency risk relating to non-monetary assets and liabilities is a component of price risk and not currency risk. However, management monitors the exposures on all foreign currency denominated assets and liabilities.

The Schemes hold foreign currency forward contracts to protect the valuation of financial assets and liabilities against variations in the exchange rates. The Schemes do not designate any derivatives as hedges, and hence these derivative financial instruments are classified at fair value through profit or loss.

With the exception of the International Share Fund and Real Estate Fund, the Schemes did not have any significant exposure to currency risk at the reporting date.

International Share Fund

The Scheme has significant investments that are denominated in foreign currency. The Scheme holds foreign currency forward contracts to protect the valuation of financial assets and liabilities against variations in the exchange rates at the reporting date. The Scheme does not designate any derivatives as hedges, and hence these derivative financial instruments are classified at fair value through profit or loss.

Real Estate Fund

The Scheme has significant investments that are denominated in foreign currency. The Scheme does not hold any derivatives to protect the valuation of financial assets and liabilities against variations in the exchange rates at the reporting date.

14 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

The following table summarises the Schemes' exposure to currency risk (net of foreign currency exposure arising from derivatives where applicable):

	International Share Fund		Real Estate Fund	
	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
United States Dollar	2,360,131	1,911,404	229,453	225,834
British Pound	136,260	181,598	40,803	22,101
Euro	376,770	276,653	35,655	17,425
Hong Kong Dollar	50,140	113,773	7,469	20,464
Japanese Yen	103,525	169,926	15,200	21,194
Other currencies	233,299	269,868	11,579	6,257
Total foreign currency exposure	3,260,125	2,923,222	340,159	313,275

The table presented in note 14(a)(iv) summarises sensitivity analysis to currency risk. This analysis measures currency risk from the strengthening Australian dollar against other currencies using a positive sensitivity rate and the weakening of the Australian dollar against other currencies using a negative sensitivity rate.

14 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Schemes are exposed to cash flow interest rate risk on financial instruments with floating interest rates. Financial instruments with fixed interest rates expose the Schemes to fair value interest rate risk.

The following tables summarise the Schemes' exposure to interest rate risk:

	Australian Share Fund							
	30 June 2024				30 June 2023			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Cash and cash equivalents	55,571	-	-	55,571	59,105	-	-	59,105
Margin accounts	150	-	-	150	152	-	-	152
	Fixed Income Fund							
	30 June 2024				30 June 2023			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Cash and cash equivalents	76,675	-	-	76,675	26,905	-	-	26,905

14 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

	International Share Fund							
	30 June 2024				30 June 2023			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Cash and cash equivalents	118,682	-	-	118,682	117,674	-	-	117,674
	Real Estate Fund							
	30 June 2024				30 June 2023			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Cash and cash equivalents	17,643	-	-	17,643	27,364	-	-	27,364
	Balanced Fund							
	30 June 2024				30 June 2023			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Cash and cash equivalents	407	-	-	407	-	-	-	-
Financial liabilities								
Bank overdraft	-	-	-	-	1,800	-	-	1,800

14 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

	Diversified Fund							
	30 June 2024			Total	30 June 2023			Total
	Floating interest rate	Fixed interest rate	Non-interest bearing		Floating interest rate	Fixed interest rate	Non-interest bearing	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Cash and cash equivalents	214	-	-	214	-	-	-	-
Financial liabilities								
Bank overdraft	-	-	-	-	10	-	-	10

	Growth Fund							
	30 June 2024			Total	30 June 2023			Total
	Floating interest rate	Fixed interest rate	Non-interest bearing		Floating interest rate	Fixed interest rate	Non-interest bearing	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets								
Cash and cash equivalents	1,092	-	-	1,092	785	-	-	785

The table presented in note 14(a)(iv) summarises sensitivity analysis to interest rate risk. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

14 Financial risk management (continued)

(a) Market risk (continued)

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The Schemes are exposed to price risk predominantly through their investments for which prices in the future are uncertain.

The fair value of the Schemes' investments exposed to price risk was as follows:

	Australian Share Fund		Fixed Income Fund		International Share Fund		Real Estate Fund	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Derivatives	3	13	-	-	-	-	-	-
Equities	1,445,265	1,245,100	-	-	3,215,401	2,800,011	737,633	638,498
Unlisted unit trusts	-	-	1,195,490	1,112,816	-	-	-	-

	Balanced Fund		Diversified Fund		Growth Fund	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Unlisted unit trusts	53,426	77,216	17,036	22,554	45,969	48,246

The table presented in note 14(a)(iv) summarises sensitivity analysis to price risk. This analysis assumes that all other variables remain constant.

14 Financial risk management (continued)

(a) Market risk (continued)

(iv) Sensitivity analysis

The following tables summarise the sensitivity of the operating profit and net assets attributable to unitholders to currency risk, interest rate risk and price risk. The reasonably possible movements in the risk variables have been determined based on management's estimates, having regard to a number of factors, including historical levels of changes in foreign currency exchange rates, interest rates and historical correlation of the Schemes' investments with the relevant benchmark and market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusual large market movements resulting from changes in the performance of and/or correlation between the performance of the economies, markets and securities in which the Schemes invest. As a result, historic variations in risk variables should not be used to predict future variations in the risk variables.

	Sensitivity rates	Impact on operating profit/net assets attributable to unitholders			
		Australian Share Fund		Fixed Income Fund	
		30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Interest rate risk	+1%	557	593	767	269
	-1%	(557)	(593)	(767)	(269)
Price risk	+5%	-	-	59,775	55,641
	-5%	-	-	(59,775)	(55,641)
	+10%	144,682	124,688	-	-
	-10%	(144,682)	(124,688)	-	-

14 Financial risk management (continued)

(a) Market risk (continued)

(iv) Sensitivity analysis (continued)

	Sensitivity rates	Impact on operating profit/net assets attributable to unitholders			
		International Share Fund		Real Estate Fund	
		30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Currency risk					
USD	+5%	(118,007)	(95,570)	(11,473)	(11,292)
	-5%	118,007	95,570	11,473	11,292
GBP	+5%	(6,813)	(9,080)	(2,040)	(1,105)
	-5%	6,813	9,080	2,040	1,105
EUR	+5%	(18,839)	(13,833)	(1,783)	(871)
	-5%	18,839	13,833	1,783	871
HKD	+5%	(2,507)	(5,689)	(373)	(1,023)
	-5%	2,507	5,689	373	1,023
JPY	+5%	(5,176)	(8,496)	(760)	(1,060)
	-5%	5,176	8,496	760	1,060
Interest rate risk					
	+1%	1,187	1,177	176	274
	-1%	(1,187)	(1,177)	(176)	(274)
Price risk					
	+10%	-	280,001	-	63,850
	-10%	-	(280,001)	-	(63,850)
	+15%	482,310	-	110,645	-
	-15%	(482,310)	-	(110,645)	-

14 Financial risk management (continued)

(a) Market risk (continued)

(iv) Sensitivity analysis (continued)

		Impact on profit/net assets attributable to unitholders					
		Balanced Fund		Diversified Fund		Growth Fund	
	Sensitivity rates	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Interest rate risk	+1%	4	(18)	2	-	11	8
	-1%	(4)	18	(2)	-	(11)	(8)
Price risk	+10%	5,343	7,722	1,704	2,255	4,597	4,825
	-10%	(5,343)	(7,722)	(1,704)	(2,255)	(4,597)	(4,825)

(b) Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts when they fall due. The Schemes are exposed to counterparty credit risk on derivative financial instruments, cash and cash equivalents and receivables for securities sold. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. None of these assets are impaired or past due but not impaired.

(i) Derivative financial instruments

The risk of counterparty default in a derivative transaction is minimised by predominantly using exchange traded derivatives (except for currency hedging, contracts for differences and occasionally other approved over the counter instruments). The exchange traded derivatives are only executed and cleared through approved members of the exchanges. For over the counter derivatives, minimum credit ratings apply for counterparties at the time of entering into a contract and ISDA agreements are put in place with counterparties.

(ii) Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a high grade credit rating.

14 Financial risk management (continued)

(b) Credit risk (continued)

(iii) *Receivables for securities sold*

All transactions in equity securities are settled/paid for upon delivery using approved brokers. The risk of default is considered low, as delivery of securities sold is only made once the broker has received payment from the counterparty. Payments on securities acquired are only made after the broker has received the securities. The trade will fail if either party fails to meet its obligations.

All transactions in unlisted unit trusts are settled/unitised when unit prices are issued. The risk of default is considered low except when trading in a suspended unlisted unit trust.

(c) Liquidity risk

Liquidity risk is the risk that the Schemes will not be able to meet their financial obligations as they fall due.

The Schemes are exposed to daily cash redemptions of redeemable units and daily margin calls on derivatives.

The Schemes' investments in equity securities are considered to be readily realisable. The Schemes primarily hold investments in an active market which can be readily disposed. Only a limited proportion of these investments may not be actively traded on a stock exchange.

The Schemes' investments in unlisted unit trusts expose them to the risk that the responsible entity or the manager of those trusts may be unwilling or unable to fulfil the redemption requests within the timeframe requested by the Schemes. However, these investments are considered readily realisable unless the unlisted unit trusts are declared illiquid or suspended.

The Schemes may, from time to time, invest in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, the Schemes may not be able to quickly liquidate these instruments at an amount close to their fair value to meet their liquidity requirements or to respond to specific events. No significant over the counter derivative contracts were held at year end.

In order to manage the Schemes' overall liquidity, asset managers will only purchase securities (including derivatives) which meet the Schemes' investment criteria, including the assessment of saleability in different market conditions. The Schemes' investment strategy generally defines a minimum liquidity level for the Schemes which is monitored regularly.

14 Financial risk management (continued)

(c) Liquidity risk (continued)

The following tables summarise the contractual maturities of financial liabilities, including interest payments where applicable:

	Australian Share Fund							
	30 June 2024				30 June 2023			
	Carrying amount	Contractual cash flows			Carrying amount	Contractual cash flows		
		less than 6 months	6-12 months	more than 12 months		less than 6 months	6-12 months	more than 12 months
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Non-derivative financial liabilities								
Distributions payable	11,231	11,231	-	-	55,849	55,849	-	-
Payables	10,906	10,906	-	-	32,321	32,321	-	-
Net assets attributable to unitholders - liability	<u>1,487,101</u>	<u>1,487,101</u>	-	-	<u>1,232,396</u>	<u>1,232,396</u>	-	-
Total	<u>1,509,238</u>	<u>1,509,238</u>	-	-	<u>1,320,566</u>	<u>1,320,566</u>	-	-
Derivative financial liabilities								
Foreign currency forward contracts	-	-	-	-	-	-	-	-
Outflow	-	-	-	-	-	4	-	-
Inflow	-	-	-	-	-	(4)	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

14 Financial risk management (continued)

(c) Liquidity risk (continued)

	Fixed Income Fund							
	Carrying amount	30 June 2024			Carrying amount	30 June 2023		
		Contractual cash flows				Contractual cash flows		
		less than 6 months	6-12 months	more than 12 months		less than 6 months	6-12 months	more than 12 months
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Non-derivative financial liabilities								
Distributions payable	7,237	7,237	-	-	-	-	-	-
Payables	1,220	1,220	-	-	905	905	-	-
Net assets attributable to unitholders - liability	<u>1,276,678</u>	<u>1,276,678</u>	-	-	<u>1,141,430</u>	<u>1,141,430</u>	-	-
Total	<u>1,285,135</u>	<u>1,285,135</u>	-	-	<u>1,142,335</u>	<u>1,142,335</u>	-	-
	International Share Fund							
	Carrying amount	30 June 2024			Carrying amount	30 June 2023		
		Contractual cash flows				Contractual cash flows		
		less than 6 months	6-12 months	more than 12 months		less than 6 months	6-12 months	more than 12 months
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Non-derivative financial liabilities								
Distributions payable	400,212	400,212	-	-	20,038	20,038	-	-
Payables	68,819	68,819	-	-	26,729	26,729	-	-
Net assets attributable to unitholders - liability	<u>2,906,801</u>	<u>2,906,801</u>	-	-	<u>2,904,389</u>	<u>2,904,389</u>	-	-
Total	<u>3,375,832</u>	<u>3,375,832</u>	-	-	<u>2,951,156</u>	<u>2,951,156</u>	-	-
Derivative financial liabilities								
Foreign currency forward contracts	4				1			
Outflow	-	10,958	-	-	-	1,420	-	-
Inflow	-	(10,954)	-	-	-	(1,419)	-	-
Total	<u>4</u>	<u>4</u>	-	-	<u>1</u>	<u>1</u>	-	-

14 Financial risk management (continued)

(c) Liquidity risk (continued)

	Real Estate Fund							
	Carrying amount	30 June 2024 Contractual cash flows			Carrying amount	30 June 2023 Contractual cash flows		
		less than 6 months	6-12 months	more than 12 months		less than 6 months	6-12 months	more than 12 months
		\$'000	\$'000	\$'000		\$'000	\$'000	\$'000
Non-derivative financial liabilities								
Distributions payable	9,999	9,999	-	-	9,687	9,687	-	-
Payables	5,423	5,423	-	-	3,376	3,376	-	-
Net assets attributable to unitholders - liability	<u>751,072</u>	<u>751,072</u>	<u>-</u>	<u>-</u>	<u>664,670</u>	<u>664,670</u>	<u>-</u>	<u>-</u>
Total	<u>766,494</u>	<u>766,494</u>	<u>-</u>	<u>-</u>	<u>677,733</u>	<u>677,733</u>	<u>-</u>	<u>-</u>

	Balanced Fund							
	Carrying amount	30 June 2024 Contractual cash flows			Carrying amount	30 June 2023 Contractual cash flows		
		less than 6 months	6-12 months	more than 12 months		less than 6 months	6-12 months	more than 12 months
		\$'000	\$'000	\$'000		\$'000	\$'000	\$'000
Non-derivative financial liabilities								
Bank overdraft	-	-	-	-	1,800	1,800	-	-
Distributions payable	7,834	7,834	-	-	12,561	12,561	-	-
Payables	14	14	-	-	1,186	1,186	-	-
Total	<u>7,848</u>	<u>7,848</u>	<u>-</u>	<u>-</u>	<u>15,547</u>	<u>15,547</u>	<u>-</u>	<u>-</u>

14 Financial risk management (continued)

(c) Liquidity risk (continued)

	Diversified Fund							
	30 June 2024				30 June 2023			
	Carrying amount	Contractual cash flows			Carrying amount	Contractual cash flows		
		less than 6 months	6-12 months	more than 12 months		less than 6 months	6-12 months	more than 12 months
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Non-derivative financial liabilities								
Bank overdraft	-	-	-	-	10	10	-	-
Distributions payable	995	995	-	-	985	985	-	-
Payables	165	165	-	-	63	63	-	-
Total	1,160	1,160	-	-	1,058	1,058	-	-

	Growth Fund							
	30 June 2024				30 June 2023			
	Carrying amount	Contractual cash flows			Carrying amount	Contractual cash flows		
		less than 6 months	6-12 months	more than 12 months		less than 6 months	6-12 months	more than 12 months
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Non-derivative financial liabilities								
Distributions payable	2,500	2,500	-	-	1,062	1,062	-	-
Payables	9	9	-	-	1,125	1,125	-	-
Total	2,509	2,509	-	-	2,187	2,187	-	-

14 Financial risk management (continued)

(d) Fair value measurement

The Schemes classify fair value measurement of their financial assets and liabilities by level of the following fair value hierarchy:

- 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).

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

The fair value of financial assets and liabilities traded in active markets is based on quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Equity securities and exchange traded derivatives are valued at the last traded price. For the majority of these financial instruments, information provided by the independent pricing services is relied upon for valuation.

(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 other instrument, discounted cash flow techniques, option pricing models or any other valuation techniques that provide a reliable estimate of prices obtained in actual market transactions.

Valuation models use observable data to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in the assumptions for these factors could affect the reported fair value of financial instruments. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions held.

The fair value of derivatives that are not exchange traded is estimated at the amount that would be received or paid to terminate the contract at the end of the reporting period taking into account current market conditions (volatility and approximate yield curve) and the current creditworthiness of the counterparties.

Investments in unlisted unit trusts are recorded at the unit price as reported by the investment managers of such trusts. The Schemes may make adjustments to the value based on the considerations such as: liquidity of the unlisted unit trust or its underlying investments, the value date of the net asset value provided, or any restrictions on redemptions and the basis of accounting.

14 Financial risk management (continued)

(d) Fair value measurement (continued)

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

With the exception for the International Share Fund, the Schemes did not hold any financial instruments with fair value measurements using significant unobservable inputs (level 3) at 30 June 2024 and 30 June 2023.

International Share Fund

The Scheme's level 3 assets include listed equity securities that are impacted by trading restrictions due to sanctions imposed by international governments resulting from the ongoing geopolitical events. These securities are valued using significant unobservable inputs which include an adjustment or discount factor for the illiquidity of these securities.

Recognised fair value measurements

The following tables present the Schemes' financial assets and liabilities by fair value hierarchy levels:

	Australian Share Fund							
	30 June 2024				30 June 2023			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss								
Derivatives								
Futures	3	-	-	3	12	-	-	12
Foreign currency forward contracts	-	-	-	-	-	50	-	50
Warrants	-	-	-	-	1	-	-	1
Equity securities	<u>1,445,265</u>	-	-	<u>1,445,265</u>	<u>1,244,227</u>	<u>873</u>	-	<u>1,245,100</u>
Total	<u>1,445,268</u>	-	-	<u>1,445,268</u>	<u>1,244,240</u>	<u>923</u>	-	<u>1,245,163</u>

14 Financial risk management (continued)

(d) Fair value measurement (continued)

Recognised fair value measurements (continued)

	Fixed Income Fund							
	30 June 2024				30 June 2023			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss								
Unlisted unit trusts	-	1,195,490	-	1,195,490	-	1,112,816	-	1,112,816
Total	-	1,195,490	-	1,195,490	-	1,112,816	-	1,112,816

	International Share Fund							
	30 June 2024				30 June 2023			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value through profit or loss								
Derivatives								
Foreign currency forward contracts	-	9	-	9	-	5	-	5
Equity securities	3,215,401	-	-	3,215,401	2,796,880	-	3,131	2,800,011
Total	3,215,401	9	-	3,215,410	2,796,880	5	3,131	2,800,016

Financial liabilities at fair value through profit or loss								
Derivatives								
Foreign currency forward contracts	-	4	-	4	-	1	-	1
Total	-	4	-	4	-	1	-	1

14 Financial risk management (continued)

(d) Fair value measurement (continued)

Recognised fair value measurements (continued)

Real Estate Fund

	30 June 2024				30 June 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss								
Derivatives								
Foreign currency forward contracts	-	16	-	16	-	-	-	-
Equity securities	737,633	-	-	737,633	638,492	6	-	638,498
Total	737,633	16	-	737,649	638,492	6	-	638,498

Balanced Fund

	30 June 2024				30 June 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss								
Unlisted unit trusts	-	53,426	-	53,426	-	77,216	-	77,216
Total	-	53,426	-	53,426	-	77,216	-	77,216

Diversified Fund

	30 June 2024				30 June 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss								
Unlisted unit trusts	-	17,036	-	17,036	-	22,554	-	22,554
Total	-	17,036	-	17,036	-	22,554	-	22,554

14 Financial risk management (continued)

(d) Fair value measurement (continued)

Recognised fair value measurements (continued)

	Growth Fund							
	30 June 2024			Total	30 June 2023			Total
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	
Financial assets at fair value through profit or loss								
Unlisted unit trusts	-	45,969	-	45,969	-	48,246	-	48,246
Total	-	45,969	-	45,969	-	48,246	-	48,246

Transfers between levels

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

There were no transfers between levels as at 30 June 2024 and 30 June 2023.

14 Financial risk management (continued)

(d) Fair value measurement (continued)

Fair value measurements using significant unobservable inputs (level 3)

International Share Fund

The following table presents the movement in level 3 instruments for the years ended 30 June 2024 and 30 June 2023:

	30 June 2024 Equity securities \$'000	30 June 2023 Equity securities \$'000
Opening balance	3,131	3,436
Gains/(losses) recognised in profit or loss	<u>(3,131)</u>	<u>(305)</u>
Closing balance	<u>-</u>	<u>3,131</u>
Total unrealised gains/(losses) recognised in profit or loss for financial instruments held at the reporting date	<u>(3,131)</u>	<u>(305)</u>

15 Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the statements 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. The gross and net positions of financial assets and liabilities that have been offset in the statements of financial position are disclosed in the first three columns of the tables below:

	30 June 2024					30 June 2023				
	Effects of offsetting on the statement of financial position			Related amounts not offset		Effects of offsetting on the statement of financial position			Related amounts not offset	
	Gross amounts	Gross amounts set off	Net amounts presented	Amounts subject to master netting arrangements	Net amounts	Gross amounts	Gross amounts set off	Net amounts presented	Amounts subject to master netting arrangements	Net amounts
Australian Share Fund	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets										
Margin accounts	150	-	150	-	150	152	-	152	-	152
Derivatives	3	-	3	-	3	63	-	63	-	63
Total	153	-	153	-	153	215	-	215	-	215

	30 June 2024					30 June 2023				
	Effects of offsetting on the statement of financial position			Related amounts not offset		Effects of offsetting on the statement of financial position			Related amounts not offset	
	Gross amounts	Gross amounts set off	Net amounts presented	Amounts subject to master netting arrangements	Net amounts	Gross amounts	Gross amounts set off	Net amounts presented	Amounts subject to master netting arrangements	Net amounts
International Share Fund	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets										
Derivatives	9	-	9	(1)	8	5	-	5	(1)	4
Total	9	-	9	(1)	8	5	-	5	(1)	4
Financial liabilities										
Derivatives	(4)	-	(4)	1	(3)	(1)	-	(1)	1	-
Total	(4)	-	(4)	1	(3)	(1)	-	(1)	1	-

15 Offsetting financial assets and financial liabilities (continued)

	30 June 2024					30 June 2023				
	Effects of offsetting on the statement of financial position			Related amounts not offset		Effects of offsetting on the statement of financial position			Related amounts not offset	
	Gross amounts	Gross amounts set off	Net amounts presented	Amounts subject to master netting arrangements	Net amounts	Gross amounts	Gross amounts set off	Net amounts presented	Amounts subject to master netting arrangements	Net amounts
Real Estate Fund	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets										
Derivatives	16	-	16	-	16	-	-	-	-	-
Total	16	-	16	-	16	-	-	-	-	-

Apart from the Schemes mentioned in this note, no other Schemes held financial assets or liabilities subject to offsetting arrangements at the reporting date.

Master netting arrangement – not currently enforceable

Agreements with derivative counterparties are based on the ISDA Master Agreements. Under the terms of these arrangements, only where certain credit events occur (such as default), the net position owing/receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements terminated. As the Schemes do not presently have a legally enforceable right of set-off, these amounts have not been offset in the statements of financial position, but have been presented separately in this note.

16 Derivative financial instruments

A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign currency exchange rates, index of prices or rates, credit rating or credit index or other variables.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

16 Derivative financial instruments (continued)

Derivative transactions include many different instruments such as foreign currency forward contracts, futures and options. Derivatives are considered to be part of the investment process and the use of derivatives is an essential part of the Schemes' portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of the Schemes against a fluctuation in market values or to reduce volatility;
- a substitution for trading of physical securities; and
- adjusting asset exposures within the parameters set in the investment strategy, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

While derivatives are used for trading purposes, they are not used to gear (leverage) a portfolio. Gearing a portfolio would occur if the level of exposure to the markets exceeds the underlying value of the Schemes.

The Schemes held the following derivative financial instruments during the year:

(a) Futures

Futures are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities. Changes in futures contracts' values are usually settled net daily with the exchange.

(b) Foreign currency forward contracts

Foreign currency forward contracts are agreements to receive or deliver a fixed quantity of foreign currency for an agreed upon price on an agreed future date. Foreign currency forward contracts are primarily used to hedge against currency risks of non-Australian dollar denominated securities.

(c) Warrants

Warrants are an option to purchase additional securities from the issuer at a specified price during a specified period. Warrants are valued at the prevailing market price at the end of each reporting period.

Risk exposures and fair value measurements

Information about the Schemes' exposure to financial risks and the methods and assumptions used in determining fair values is provided in note 14. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of the derivative financial instruments.

17 Events occurring after the reporting period

Subsequent to the reporting date, market volatility has impacted the valuation of Real Estate Fund's investments by 13%. No adjustment has been made to the fair value of the Scheme's investments reported in the 30 June 2024 financial report.

No other significant events have occurred since the reporting date which would have an impact on the financial position of the Schemes as at 30 June 2024 or on the results and cash flows of the Schemes for the year ended on that date.

18 Contingent assets and liabilities and commitments

There were no outstanding contingent assets, liabilities or commitments as at 30 June 2024 and 30 June 2023.

Directors' declaration

Perpetual Investment Management Limited presents the Directors' declaration in respect of the following Schemes:

Perpetual Private Australian Share Fund
Perpetual Private Fixed Income Fund
Perpetual Private International Share Fund
Perpetual Private Real Estate Fund
Perpetual Private Balanced Fund
Perpetual Private Diversified Fund
Perpetual Private Growth Fund

In the opinion of the directors of Perpetual Investment Management Limited, the Responsible Entity of the Schemes:

- (a) the financial statements and notes, set out on page 8 to 64, are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
 - (ii) giving a true and fair view of the Schemes' financial positions as at 30 June 2024 and of their performances for the financial year ended on that date;
- (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; and
- (c) note 2(a) confirms that the financial statements comply with International Financial Reporting Standards and Interpretations as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors.



Director

Sydney
18 September 2024



Independent Auditor's Report

To the respective unitholders of the following Schemes:

Perpetual Private Diversified Fund;
Perpetual Private Balanced Fund;
Perpetual Private Growth Fund;
Perpetual Private Real Estate Fund.

Perpetual Private International Share Fund;
Perpetual Private Australian Share Fund;
Perpetual Private Fixed Income 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 Report** of the Schemes.

In our opinion, the accompanying Financial Report of each Scheme gives a true and fair view, including of each Scheme's financial position as at 30 June 2024 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** of the individual Schemes comprise the:

- Statement of financial position as at 30 June 2024;
- Statement of comprehensive income, Statement of changes in equity, and Statement of cash flows for the year ended;
- Notes, including material 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 Report section of our report.

We are independent of the Scheme 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 Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other Information

Other Information is financial and non-financial information in the issuer of the respective Scheme's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors of Perpetual Investment Management Limited (the Responsible entity) are responsible for the Other Information.

Our opinion on the Financial Report 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 Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report 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 Report

The Directors of Perpetual Investment Management Limited (the Responsible entity) are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Scheme, and in compliance with *Australian Accounting* and the *Corporations Regulations 2001*;
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Scheme, and that is free from material misstatement, whether due to fraud or error;
- assessing the Scheme's 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 Scheme or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report 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 Report.

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

KPMG

Andrew Reeves

Partner

Sydney

18 September 2024

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