

PERPETUAL WHOLESALE FUNDS

Annual Financial Report
30 June 2014

Perpetual Investment Management Limited
ABN 18 000 866 535 AFSL 234426

Perpetual 

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Directors' report

The directors of Perpetual Investment Management Limited (a wholly owned subsidiary of Perpetual Limited), the Responsible Entity of the Perpetual Wholesale Funds, present their report together with the annual financial report of the Perpetual Wholesale Funds ("the Schemes") for the year ended 30 June 2014 and the auditor's report thereon.

Statutory Name	Referred to in this document as	ARSN
Perpetual Wholesale Australian Fund	"Wholesale Australian Fund"	091 189 132
Perpetual Wholesale Balanced Growth Fund	"Wholesale Balanced Growth Fund"	091 187 601
Perpetual Wholesale Concentrated Equity Fund	"Wholesale Concentrated Equity Fund"	091 185 590
Perpetual Wholesale Conservative Growth Fund	"Wholesale Conservative Growth Fund"	105 779 628
Perpetual Wholesale Diversified Growth Fund	"Wholesale Diversified Growth Fund"	098 429 746
Perpetual Dynamic Fixed Income Fund	"Wholesale Dynamic Fixed Income Fund"	147 094 415
Perpetual Wholesale Ethical SRI Fund	"Wholesale Ethical SRI Fund"	099 975 041
Perpetual Wholesale Geared Australian Fund	"Wholesale Geared Australian Fund"	103 864 688
Perpetual Wholesale Industrial Fund	"Wholesale Industrial Fund"	091 187 049
Perpetual Wholesale International Share Fund	"Wholesale International Share Fund"	091 186 837
Perpetual Wholesale Monthly Income Fund	"Wholesale Monthly Income Fund"	093 211 682
Perpetual Wholesale SHARE-PLUS Fund	"Wholesale SHARE-PLUS Long Short Fund"	103 864 937
Perpetual Wholesale Smaller Companies Fund	"Wholesale Smaller Companies Fund"	091 188 082
Perpetual Wholesale Smaller Companies Fund No. 2	"Wholesale Smaller Companies Fund No. 2"	110 147 503
Perpetual Wholesale Split Growth Fund	"Wholesale Split Growth Fund"	091 185 438

Responsible Entity

The Responsible Entity of the Perpetual Wholesale Funds is Perpetual Investment Management Limited (ABN 18 000 866 535). The Responsible Entity's registered office and principal place of business is Level 12, 123 Pitt Street, Sydney, NSW 2000.

Directors' report (continued)

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:

G Foster (appointed 25 January 2013, Alternate for G Larkins)
M Gordon (appointed 28 March 2013)
J Hawkins (appointed 6 July 2012)
G Larkins (appointed 7 January 2013)
P Lynch (appointed 6 July 2012, Alternate for J Hawkins)
P Statham (appointed 9 September 2013, Alternate for M Gordon)

Principal activities

The Schemes invest and trade in deposits, listed and unlisted equities, listed unit trusts and unlisted unit trusts, listed convertible notes, derivatives and a range of diversified income generating assets in accordance with the provisions of the Constitutions of the Schemes.

The Responsible Entity approved the wind-up of the Wholesale Monthly Income Fund on 14 September 2011. The wind-up of the Scheme is still ongoing. The principal activity of the Scheme during wind-up is to manage unitholders' capital and liquidate assets.

The Responsible Entity will continue to administer the Scheme until the wind-up is complete and unitholders have received their entitlements.

As a result of the Responsible Entity's decision to wind-up the Scheme, the financial statements are not prepared on a going concern basis. The financial statements are being prepared on the basis set out in the accounting policy notes. There is no difference between this basis and preparing the financial statements on a going concern basis.

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 continued to invest in accordance with target asset allocations as set out in the governing documents of the Schemes and in accordance with the provisions of the Schemes' Constitutions.

Directors' report (continued)

Review and results of operations (continued)

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

	Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund	Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Operating profit before finance costs attributable to unitholders	270,988	344,963	107,580	141,745	179,914	215,203	27,935	32,631	10,381	12,752
Distribution paid and payable	382,007	160,107	74,228	53,860	137,715	85,315	24,935	17,230	8,033	5,535
Distribution (cents per unit)	47.48	21.03	13.36	10.19	24.97	16.39	8.28	6.65	9.16	7.34

	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund	Wholesale Industrial Fund	Wholesale Industrial Fund	Wholesale International Share Fund	Wholesale International Share Fund
	30 June 2014 \$ ¹	30 June 2013 \$ ¹	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Operating profit before finance costs attributable to unitholders	272,587	195,551	109,094	122,700	245,146	246,338	485,733	678,485	20,991	36,141
Distribution paid and payable	270,719	180,742	70,455	14,486	34,106	23,040	797,746	103,145	1,319	1,962
Distribution (cents per unit)	4.87	4.72	18.11	5.10	16.28	11.11	56.58	6.84	1.34	1.58

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

Directors' report (continued)

Review and results of operations (continued)

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

	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Split Growth Fund	Wholesale Split Growth Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Operating profit before finance costs attributable to unitholders	2,201	3,335	64,558	47,716	177,586	112,530	15,078	10,830	7,412	11,577
Distribution paid and payable	4,354	7,965	45,345	16,251	167,036	65,414	13,535	6,855	2,891	993
Distribution (cents per unit)	3.25	2.97	26.37	17.09	27.84	12.48	15.39	8.04	7.63	2.46

Interests in the Schemes

The movement in units on issue in the Schemes during the year is disclosed in note 6 of the annual financial report.

The value of the Schemes' assets and liabilities is disclosed on the balance sheets and derived using the basis set out in note 2 of the annual financial report.

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 that occurred during the financial year under review.

Likely developments and expected results of operations

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

Matters subsequent to the end of the financial year

No other matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect:

- (i) the operations of the Schemes in future financial years;
- (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)

Environmental regulation

The operations of the Schemes are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

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

Fees paid to the Responsible Entity and its related parties out of Schemes properties during the year are disclosed in note 11 of the annual financial report.

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

The number of interests in the Schemes held by the Responsible Entity or its associates as at the end of the financial year are disclosed in note 11 of the annual financial report.

Indemnification 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 the kind referred to in Class Order 98/100 (as amended) issued by the Australian Securities and Investments Commission relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded to the nearest thousand dollars in accordance with that Class Order, unless otherwise indicated.

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
24 September 2014



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

To: the directors of Perpetual Investment Management Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2014 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


Michael O Connell
Partner

Sydney

24 September 2014

Perpetual Wholesale Funds
Statements of comprehensive income
For the year ended 30 June 2014

Statements of comprehensive income		Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund
	Notes	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Investment income									
Dividend/distribution income		300,301	166,285	86,147	53,855	43,238	38,546	20,946	17,707
Interest income		-	-	-	-	41	59	371	72
Net (losses)/gains on financial instruments held at fair value through profit or loss	3	(29,318)	178,700	21,424	87,885	149,607	188,334	8,053	16,235
Net foreign exchange gains/(losses)		-	-	-	-	12	(27)	(50)	32
Other operating income		9	-	10	6	106	77	2	-
Total net investment income		270,992	344,985	107,581	141,746	193,004	226,989	29,322	34,046
Expenses									
Responsible Entity's fees	11	4	22	1	1	11,733	9,685	1,350	1,014
Other expenses	4	-	-	-	-	1,357	2,101	37	401
Total operating expenses		4	22	1	1	13,090	11,786	1,387	1,415
Operating profit		270,988	344,963	107,580	141,745	179,914	215,203	27,935	32,631
Finance costs attributable to unitholders									
Distributions to unitholders	5	382,007	160,107	74,228	53,860	137,715	85,315	24,935	17,230
Interest expense		-	-	-	-	-	-	310	47
Change in net assets attributable to unitholders (total comprehensive income)	6	(111,019)	184,856	33,352	87,885	42,199	129,888	2,690	15,354

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

Perpetual Wholesale Funds
Statements of comprehensive income
For the year ended 30 June 2014
(continued)

Statements of comprehensive income		Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund
	Notes	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$ ¹	30 June 2013 \$ ¹	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Investment income									
Dividend/distribution income		7,373	5,231	289,252	190,600	29,546	21,069	69,601	52,124
Interest income		123	50	4,063	4,247	652	791	19	3
Net gains/(losses) on financial instruments held at fair value through profit or loss	3	3,141	7,620	(6,995)	11,665	89,462	108,432	197,778	210,558
Net foreign exchange (losses)/gains		(33)	120	-	-	-	-	(123)	302
Other operating income		125	-	1	38	145	45	97	41
Total net investment income		10,729	13,021	286,321	206,550	119,805	130,337	267,372	263,028
Expenses									
Responsible Entity's fees	11	320	196	10,066	8,087	8,520	5,324	18,853	13,512
Other expenses	4	28	73	3,668	2,912	2,191	2,313	3,373	3,178
Total operating expenses		348	269	13,734	10,999	10,711	7,637	22,226	16,690
Operating profit		10,381	12,752	272,587	195,551	109,094	122,700	245,146	246,338
Finance costs attributable to unitholders									
Distributions to unitholders	5	8,033	5,535	270,719	180,742	70,455	14,486	34,106	23,040
Interest expense		25	18	-	-	-	-	26,778	23,964
Change in net assets attributable to unitholders (total comprehensive income)	6	2,323	7,199	1,868	14,809	38,639	108,214	184,262	199,334

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

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

Perpetual Wholesale Funds
Statements of comprehensive income
For the year ended 30 June 2014
(continued)

Statements of comprehensive income		Wholesale Industrial Fund	Wholesale Industrial Fund	Wholesale International Share Fund	Wholesale International Share Fund	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund
	Notes	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Investment income									
Dividend/distribution income		757,183	142,494	3,179	3,609	5,310	9,744	14,223	7,599
Interest income		-	-	-	-	93	292	1,640	816
Net (losses)/gains on financial instruments held at fair value through profit or loss	3	(242,963)	561,299	19,672	34,179	(2,154)	(4,629)	59,086	46,846
Net foreign exchange losses		-	-	-	-	-	-	(25)	(14)
Other operating income		-	-	-	-	-	-	182	16
Losses from short selling		-	-	-	-	-	-	(2,763)	(1,683)
Total net investment income		514,220	703,793	22,851	37,788	3,249	5,407	72,343	53,580
Expenses									
Responsible Entity's fees	11	28,487	25,308	1,860	1,647	1,048	2,072	4,862	2,399
Short selling expenses		-	-	-	-	-	-	516	183
Other expenses	4	-	-	-	-	-	-	2,407	3,282
Total operating expenses		28,487	25,308	1,860	1,647	1,048	2,072	7,785	5,864
Operating profit		485,733	678,485	20,991	36,141	2,201	3,335	64,558	47,716
Finance costs attributable to unitholders									
Distributions to unitholders	5	797,746	103,145	1,319	1,962	4,354	7,965	45,345	16,251
Change in net assets attributable to unitholders (total comprehensive income)	6	(312,013)	575,340	19,672	34,179	(2,153)	(4,630)	19,213	31,465

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

Perpetual Wholesale Funds
Statements of comprehensive income
For the year ended 30 June 2014
(continued)

Statements of comprehensive income		Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Split Growth Fund	Wholesale Split Growth Fund
	Notes	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Investment income							
Dividend/distribution income		28,337	27,435	13,512	5,974	5,073	1,039
Interest income		62	59	-	-	-	-
Net gains on financial instruments held at fair value through profit or loss	3	162,517	97,011	1,565	4,856	2,271	10,490
Other operating income		50	75	1	-	68	48
Total net investment income		190,966	124,580	15,078	10,830	7,412	11,577
Expenses							
Responsible Entity's fees	11	10,489	8,629	-	-	-	-
Other expenses	4	2,891	3,421	-	-	-	-
Total operating expenses		13,380	12,050	-	-	-	-
Operating profit		177,586	112,530	15,078	10,830	7,412	11,577
Finance costs attributable to unitholders							
Distributions to unitholders	5	167,036	65,414	13,535	6,855	2,891	993
Change in net assets attributable to unitholders (total comprehensive income)	6	10,550	47,116	1,543	3,975	4,521	10,584

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

Perpetual Wholesale Funds
Balance sheets
As at 30 June 2014

Balance Sheets		Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund
		30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Assets									
Cash and cash equivalents	13(b)	-	-	-	-	1,083	1,681	2,844	-
Financial assets held at fair value through profit or loss	7	1,490,046	1,420,465	820,666	771,488	1,113,038	940,334	349,149	303,931
Due from brokers - receivable for securities sold		1,168	584	686	280	1,529	25,441	857	-
Loans and receivables	9	258,708	125,127	68,766	25,200	11,388	9,346	13,633	9,356
Total assets		1,749,922	1,546,176	890,118	796,968	1,127,038	976,802	366,483	313,287
Liabilities									
Bank overdraft	10,13(b)	-	-	-	-	-	-	-	4,810
Financial liabilities held at fair value through profit or loss	8	-	-	-	-	-	-	577	1,642
Distributions payable to unitholders of the Scheme	5	352,723	129,855	55,832	38,108	120,456	69,894	20,543	7,506
Due to brokers - payable for securities purchased		1,386	562	1,267	196	4,194	-	-	1,400
Interest payable	10	-	-	-	-	-	-	-	2
Sundry creditors and accruals		1,308	647	686	280	2,442	1,859	703	219
Total liabilities (excluding net assets attributable to unitholders)		355,417	131,064	57,785	38,584	127,092	71,753	21,823	15,579
Net assets attributable to unitholders - liability	6	1,394,505	1,415,112	832,333	758,384	999,946	905,049	344,660	297,708

The above balance sheets should be read in conjunction with the accompanying notes.

Perpetual Wholesale Funds
Balance sheets
As at 30 June 2014
(continued)

Balance Sheets		Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund
	Notes	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$ ¹	30 June 2013 \$ ¹	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Assets									
Cash and cash equivalents	13(b)	2,903	248	144,758	78,140	47,052	10,199	1,161	1,889
Financial assets held at fair value through profit or loss	7	99,942	86,585	6,025,528	3,404,279	766,607	546,708	1,676,947	1,278,803
Due from brokers - receivable for securities sold		240	-	-	-	14,326	37	11,320	10,903
Loans and receivables	9	5,640	3,260	154,437	39,524	6,590	4,479	17,112	11,826
Total assets		108,725	90,093	6,324,723	3,521,943	834,575	561,423	1,706,540	1,303,421
Liabilities									
Bank overdraft	10,13(b)	-	-	-	-	-	-	923,235	729,057
Financial liabilities held at fair value through profit or loss	8	180	340	-	963	-	-	-	410
Distributions payable to unitholders of the Scheme	5	6,095	2,510	140,809	55,252	60,171	7,662	16,071	8,450
Due to brokers - payable for securities purchased		-	500	-	-	7,789	1,305	11,143	6,755
Interest payable	10	-	-	-	-	-	-	2,431	2,733
Sundry creditors and accruals		451	91	1,437	886	1,627	801	2,677	2,352
Total liabilities (excluding net assets attributable to unitholders)		6,726	3,441	142,246	57,101	69,587	9,768	955,557	749,757
Net assets attributable to unitholders - liability	6	101,999	86,652	6,182,477	3,464,842	764,988	551,655	750,983	553,664

The above balance sheets should be read in conjunction with the accompanying notes.

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

Perpetual Wholesale Funds
Balance sheets
As at 30 June 2014
(continued)

Balance Sheets		Wholesale Industrial Fund	Wholesale Industrial Fund	Wholesale International Share Fund	Wholesale International Share Fund	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund
	Notes	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Assets									
Cash and cash equivalents	13(b)	-	-	-	-	2,387	6,170	148,881	36,556
Financial assets held at fair value through profit or loss	7	2,257,605	2,613,827	130,524	145,199	93,002	177,114	456,938	245,905
Due from brokers - receivable for securities sold		2,626	1,782	50	118	-	-	6,434	6,510
Loans and receivables	9	672,714	63,436	1,963	2,431	543	569	5,432	2,350
Total assets		2,932,945	2,679,045	132,537	147,748	95,932	183,853	617,685	291,321
Liabilities									
Financial liabilities held at fair value through profit or loss	8	-	-	-	-	-	-	90,008	41,373
Distributions payable to unitholders of the Scheme	5	729,557	37,700	1,319	1,962	468	427	41,658	14,628
Due to brokers - payable for securities purchased		2,324	2,145	105	39	-	-	23,790	3,817
Sundry creditors and accruals		2,882	2,688	209	276	200	383	2,682	2,759
Total liabilities (excluding net assets attributable to unitholders)		734,763	42,533	1,633	2,277	668	810	158,138	62,577
Net assets attributable to unitholders - liability	6	2,198,182	2,636,512	130,904	145,471	95,264	183,043	459,547	228,744

The above balance sheets should be read in conjunction with the accompanying notes.

Perpetual Wholesale Funds
Balance sheets
As at 30 June 2014
(continued)

Balance Sheets		Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Split Growth Fund	Wholesale Split Growth Fund
	Notes	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Assets							
Cash and cash equivalents	13(b)	3,646	1,997	-	-	-	-
Financial assets held at fair value through profit or loss	7	869,361	655,532	58,530	56,286	44,782	45,417
Due from brokers - receivable for securities sold		15,891	22,734	22	-	53	3
Loans and receivables	9	1,721	1,282	12,671	4,883	4,570	508
Total assets		890,619	681,545	71,223	61,169	49,405	45,928
Liabilities							
Financial liabilities held at fair value through profit or loss	8	590	-	-	-	-	-
Distributions payable to unitholders of the Scheme	5	156,934	53,051	12,671	5,703	2,891	993
Due to brokers - payable for securities purchased		5,354	13,026	-	60	77	16
Sundry creditors and accruals		1,735	1,052	22	-	53	3
Total liabilities (excluding net assets attributable to unitholders)		164,613	67,129	12,693	5,763	3,021	1,012
Net assets attributable to unitholders - liability	6	726,006	614,416	58,530	55,406	46,384	44,916

The above balance sheets should be read in conjunction with the accompanying notes.

Statements of changes in equity

The Schemes' net assets attributable to unitholders are classified as a liability under AASB 132 *Financial Instruments: Presentation*. As such the Schemes have no equity and no items of changes in equity have been presented for the current or comparative period.

Perpetual Wholesale Funds
Cash flow statements
For the year ended 30 June 2014

Cash flow statements	Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund
	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities								
Dividends/distributions received	167,622	185,541	43,652	47,192	41,719	36,953	17,228	17,082
Interest received	-	-	-	-	41	61	363	75
Other income received	9	2	10	6	852	781	94	70
Responsible Entity's fees paid	(4)	(24)	(1)	(1)	(12,405)	(10,205)	(1,392)	(1,089)
Other expenses paid	-	-	-	-	(1,219)	(2,240)	(40)	(401)
Net cash inflow from operating activities	167,627	185,519	43,661	47,197	28,988	25,350	16,253	15,737
Cash flows from investing activities								
Proceeds from sale of investments	321,032	349,217	130,141	125,596	739,234	1,065,240	168,191	101,080
Payments for purchase of investments	(419,691)	(339,732)	(157,230)	(123,250)	(734,213)	(1,065,831)	(208,703)	(124,619)
Net cash (outflow)/inflow from investing activities	(98,659)	9,485	(27,089)	2,346	5,021	(591)	(40,512)	(23,539)
Cash flows from financing activities								
Proceeds from applications by unitholders	295,103	173,525	157,621	81,730	329,279	234,395	81,973	48,683
Payments for redemptions by unitholders	(295,584)	(310,641)	(147,459)	(109,755)	(291,683)	(165,610)	(48,136)	(45,629)
Interest expense paid	-	-	-	-	-	-	(312)	(45)
Distributions paid	(68,487)	(57,888)	(26,734)	(21,518)	(72,203)	(93,796)	(1,587)	(1,709)
Net cash (outflow)/inflow from financing activities	(68,968)	(195,004)	(16,572)	(49,543)	(34,607)	(25,011)	31,938	1,300
Net (decrease)/increase in cash and cash equivalents	-	-	-	-	(598)	(252)	7,679	(6,502)
Cash and cash equivalents/(bank overdraft) at the beginning of the financial year	-	-	-	-	1,681	1,933	(4,810)	1,671
Effects of foreign currency exchange rate changes on cash and cash equivalents	-	-	-	-	-	-	(25)	21
Cash and cash equivalents/(bank overdraft) at the end of the financial year	-	-	-	-	1,083	1,681	2,844	(4,810)

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

Perpetual Wholesale Funds
Cash flow statements
For the year ended 30 June 2014
(continued)

Cash flow statements	Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund
	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	\$'000	\$'000	\$ ¹	\$ ¹	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities								
Dividends/distributions received	5,413	4,686	174,473	235,087	27,849	18,987	66,932	48,125
Interest received	121	52	3,925	4,785	607	785	2	2
Other income received	148	12	1,021	799	889	496	340	214
Responsible Entity's fees paid	(330)	(205)	(10,206)	(8,597)	(8,840)	(5,478)	(19,756)	(14,090)
Other expenses paid	(30)	(74)	(3,948)	(3,177)	(2,351)	(2,481)	(2,287)	(2,563)
Net cash inflow from operating activities	5,322	4,471	165,265	228,897	18,154	12,309	45,231	31,688
Cash flows from investing activities								
Proceeds from sale of investments	51,992	28,977	435,305	1,667,654	686,468	707,881	997,200	930,979
Payments for purchase of investments	(62,995)	(35,348)	(3,064,512)	(1,472,026)	(824,710)	(823,769)	(1,194,083)	(1,100,856)
Net cash (outflow)/inflow from investing activities	(11,003)	(6,371)	(2,629,207)	195,628	(138,242)	(115,888)	(196,883)	(169,877)
Cash flows from financing activities								
Proceeds from applications by unitholders	34,934	19,542	3,522,057	441,076	278,859	203,252	247,159	133,467
Payments for redemptions by unitholders	(25,008)	(17,487)	(823,517)	(1,005,825)	(114,908)	(89,147)	(247,284)	(176,678)
Interest expense paid	(25)	(18)	-	-	-	-	(27,080)	(23,000)
Distributions paid	(1,419)	(1,509)	(167,980)	(130,733)	(7,010)	(5,032)	(16,004)	(15,282)
Net cash inflow/(outflow) from financing activities	8,482	528	2,530,560	(695,482)	156,941	109,073	(43,209)	(81,493)
Net increase/(decrease) in cash and cash equivalents	2,801	(1,372)	66,618	(270,957)	36,853	5,494	(194,861)	(219,682)
Cash and cash equivalents/(bank overdraft) at the beginning of the financial year	248	1,494	78,140	349,097	10,199	4,705	(727,168)	(507,544)
Effects of foreign currency exchange rate changes on cash and cash equivalents	(146)	126	-	-	-	-	(45)	58
Cash and cash equivalents/(bank overdraft) at the end of the financial year	2,903	248	144,758	78,140	47,052	10,199	(922,074)	(727,168)

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

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

Perpetual Wholesale Funds
Cash flow statements
For the year ended 30 June 2014
(continued)

Cash flow statements	Wholesale Industrial Fund	Wholesale Industrial Fund	Wholesale International Share Fund	Wholesale International Share Fund	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund
	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities								
Dividends/distributions received	147,739	118,866	3,702	4,345	5,316	10,553	12,478	6,849
Interest received	-	-	-	-	100	321	1,474	783
Other income received	2,046	1,666	148	109	89	179	674	268
Losses from short selling paid	-	-	-	-	-	-	(3,030)	(1,304)
Responsible Entity's fees paid	(30,410)	(27,012)	(1,995)	(1,760)	(1,307)	(2,618)	(4,898)	(2,436)
Short selling expenses paid	-	-	-	-	-	-	(477)	(174)
Other expenses paid	-	-	(1)	-	-	-	(2,965)	(1,882)
Net cash inflow from operating activities	119,375	93,520	1,854	2,694	4,198	8,435	3,256	2,104
Cash flows from investing activities								
Proceeds from sale of investments	688,943	653,616	60,667	36,498	81,958	174,087	395,132	247,662
Payments for purchase of investments	(576,349)	(372,166)	(26,186)	(11,734)	-	-	(478,429)	(298,509)
Net cash inflow/(outflow) from investing activities	112,594	281,450	34,481	24,764	81,958	174,087	(83,297)	(50,847)
Cash flows from financing activities								
Proceeds from applications by unitholders	714,381	340,852	47,187	9,408	-	-	257,388	105,140
Payments for redemptions by unitholders	(857,749)	(613,874)	(82,396)	(35,233)	(85,626)	(182,614)	(51,229)	(32,276)
Distributions paid	(88,601)	(101,948)	(1,126)	(1,633)	(4,313)	(8,682)	(13,802)	(2,784)
Net cash (outflow)/inflow from financing activities	(231,969)	(374,970)	(36,335)	(27,458)	(89,939)	(191,296)	192,357	70,080
Net (decrease)/increase in cash and cash equivalents	-	-	-	-	(3,783)	(8,774)	112,316	21,337
Cash and cash equivalents at the beginning of the financial year	-	-	-	-	6,170	14,944	36,556	15,208
Effects of foreign currency exchange rate changes on cash and cash equivalents	-	-	-	-	-	-	9	11
Cash and cash equivalents at the end of the financial year	-	-	-	-	2,387	6,170	148,881	36,556

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

Perpetual Wholesale Funds
Cash flow statements
For the year ended 30 June 2014
(continued)

Cash flow statements		Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Split Growth Fund	Wholesale Split Growth Fund
	Notes	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Cash flows from operating activities							
Dividends/distributions received		28,228	28,087	5,664	2,770	1,072	1,001
Interest received		61	60	-	-	-	-
Other income received		1,009	848	1	-	67	46
Responsible Entity's fees paid		(11,016)	(9,227)	-	-	-	-
Other expenses paid		(3,099)	(3,667)	-	-	-	-
Net cash inflow from operating activities	13(a)	15,183	16,101	5,665	2,770	1,139	1,047
Cash flows from investing activities							
Proceeds from sale of investments		1,559,006	1,544,239	17,104	18,596	11,989	14,159
Payments for purchase of investments		(1,610,557)	(1,473,070)	(17,865)	(11,456)	(9,072)	(6,069)
Net cash (outflow)/inflow from investing activities		(51,551)	71,169	(761)	7,140	2,917	8,090
Cash flows from financing activities							
Proceeds from applications by unitholders		161,891	71,354	12,310	8,756	7,691	3,114
Payments for redemptions by unitholders		(113,454)	(154,107)	(15,665)	(18,016)	(11,289)	(12,045)
Distributions paid		(10,420)	(4,857)	(1,549)	(650)	(458)	(206)
Net cash inflow/(outflow) from financing activities		38,017	(87,610)	(4,904)	(9,910)	(4,056)	(9,137)
Net increase/(decrease) in cash and cash equivalents		1,649	(340)	-	-	-	-
Cash and cash equivalents at the beginning of the financial year		1,997	2,337	-	-	-	-
Cash and cash equivalents at the end of the financial year	13(b)	3,646	1,997	-	-	-	-

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

1 General information

This annual financial report covers the Perpetual Wholesale Funds ("the Schemes"). 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"). The Responsible Entity's registered office is Level 12, 123 Pitt Street, Sydney, NSW 2000.

The annual financial report was authorised for issue by the directors of the Responsible Entity on 24 September 2014. The directors of the Responsible Entity have the power to amend and reissue the annual financial report.

2 Summary of significant 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 in the following text.

(a) Principles of preparation

This general purpose annual financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001* in Australia.

The annual financial report is prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated. The annual financial report is presented in Australian dollars, which is the Schemes' functional currency.

The Responsible Entity approved the wind-up of the Wholesale Monthly Income Fund on 14 September 2011. It is expected that this wind-up will take greater than 12 months to complete. As a result of the Responsible Entity's decision to wind-up the Scheme, the financial statements are not prepared on a going concern basis. The financial statements are being prepared on the basis set out in the accounting policy notes. There is no difference between this basis and preparing the financial statements on a going concern basis.

The Wholesale Australian Fund, Wholesale Balanced Growth Fund, Wholesale Industrial Fund and Wholesale Monthly Income Fund have early adopted the investment entity exemption in AASB 2013-5. As a result of the amendments to AASB 10, contained within AASB 2013-5, consolidated financial statements are no longer required to be prepared as the Schemes meet the definition of an investment entity. An investment entity is required to account for investments in its subsidiaries at fair value through profit or loss. The figures presented in this report for both current and comparative reporting periods are for the Schemes as stand-alone entities.

The application of this exemption also requires the Schemes to adopt amendments to AASB 11, AASB 12 and AASB 127. The adoption of these amendments has had no material impact on the Schemes as at 30 June 2014.

Compliance with International Financial Reporting Standards

The annual financial report of the Schemes also complies with International Financial Reporting Standards ("IFRS") and Interpretations as issued by the International Accounting Standards Board ("IASB").

Use of estimates and judgement

The preparation of an annual financial report requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2 Summary of significant accounting policies (continued)

(b) Change in accounting policy

The Schemes have adopted the following standards and amendments for the 30 June 2014 reporting period:

- (i) AASB 13 *Fair Value Measurement* and AASB 2011-8 *Amendments to Australian Accounting Standards arising from AASB 13* (effective for accounting periods beginning on or after 1 January 2013)

AASB 13 improves the consistency and reduces complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other Australian Accounting Standards. If a financial asset or a liability measured at fair value has a bid price and an ask price, the standard requires valuation to be based on a price within the bid-ask spread that is most representative of fair value and allows the use of mid-market pricing or other pricing conventions that are used by market participants as a practical expedient for fair value measurement within a bid-ask spread.

On adoption of the standard, the Schemes changed their valuation inputs for listed financial assets and liabilities to last traded prices to be consistent with the inputs used for the calculation of unit prices for applications and redemptions. The use of last traded prices is recognised as a standard pricing convention within the industry. In the prior year, the Schemes utilised bid and ask prices for their listed financial assets and liabilities respectively. The change in valuation inputs is considered to be a change in accounting policy in accordance with AASB 108.

As the standard is required to be adopted prospectively, adjustments to the fair values of financial instruments have been recognised at the beginning of the current period presented. The impact of this adjustment on the net gains/(losses) on financial instruments held at fair value through profit or loss was as follows:

	Wholesale Australian Fund	Wholesale Balanced Growth Fund	Wholesale Concentrated Equity Fund	Wholesale Conservative Growth Fund	Wholesale Diversified Growth Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Ethical SRI Fund	Wholesale Geared Australian Fund
	\$'000	\$'000	\$'000	\$'000	\$'000	\$ ¹	\$'000	\$'000
Impact on the net gains/(losses) on financial instruments held at fair value through profit or loss	-	-	1,102	72	2	-	1,327	2,488

	Wholesale Industrial Fund	Wholesale International Share Fund	Wholesale Monthly Income Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund No.2	Wholesale Split Growth Fund
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Impact on the net gains/(losses) on financial instruments held at fair value through profit or loss	-	-	(1,073)	525	5,641	81	-

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

2 Summary of significant accounting policies (continued)

(b) Change in accounting policy (continued)

(ii) AASB 2012-2 *Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities* (effective for accounting periods beginning on or after 1 January 2013)

AASB 2012-2 *Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities* requires additional disclosures to enable users of financial statements to evaluate the effect or the potential effects of netting arrangements, including rights of set-off associated with an entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. The amendments did not have any impact on the Schemes' financial position or performance.

(iii) AASB 10 *Consolidated Financial Statements*, AASB 11 *Joint Arrangements*, AASB 12 *Disclosure of Interests in Other Entities*, AASB 127 (revised 2011) *Separate Financial Statements and AASB 128* (revised 2011) *Investments in Associates and Joint Ventures* (effective for accounting periods beginning on or after 1 January 2013)

The Schemes have early adopted AASB 2013-5 *Amendments to Australian Accounting Standards - Investment Entities* (effective for accounting periods beginning on or after 1 January 2014) which makes amendments to AASB 10, AASB 12 and AASB 127 (the "Amendments").

AASB 10 *Consolidated financial statements* and Amendments to AASB 10

The objective of AASB 10 is to establish principles for the presentation and preparation of consolidated financial statements. It sets out how to apply the principle of control to identify whether an investor controls an investee and therefore must consolidate the investee. It also sets out the accounting requirements for the preparation of consolidated financial statements. The amendments to AASB 10 define an investment entity and introduce an exemption from the consolidation requirements for investment entities.

The adoption of these standards has had no impact on the Wholesale Concentrated Equity Fund, Wholesale Conservative Growth Fund, Wholesale Diversified Growth Fund, Wholesale Dynamic Fixed Income Fund, Wholesale Ethical SRI Fund, Wholesale Geared Australian Fund, Wholesale International Share Fund, Wholesale SHARE-PLUS Long Short Fund, Wholesale Smaller Companies Fund, Wholesale Smaller Companies Fund No.2 and Wholesale Split Growth Fund.

The Wholesale Australian Fund, Wholesale Balanced Growth Fund, Wholesale Industrial Fund and Wholesale Monthly Income Fund have determined that they meet the definition of an investment entity. As a result, the Schemes have changed their accounting policy with respect to their investment in their subsidiaries. Subsidiaries, which were previously consolidated, are now accounted for at fair value through profit or loss. This change in accounting policy has been applied retrospectively in accordance with the transition provisions of AASB 10 and the Amendments to AASB 10. The transition provisions require retrospective application in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

Investment entity

The Schemes have multiple unrelated unitholders and hold multiple investments directly or indirectly. Ownership interests in the interfunding investments are in the form of units which are classified as debt in accordance with AASB 132 and which are exposed to variable returns from changes in the fair value of the Schemes' net assets. The Schemes have been deemed to meet the definition of an investment entity per AASB 10 as the following conditions exist:

- (a) The Schemes have obtained funds for the purpose of providing unitholders with investment management services;
- (b) The Schemes' business purpose, which is communicated directly to unitholders, is investing solely for returns from capital appreciation and investment income; and
- (c) The performance of investments made through the Schemes is measured and evaluated on a fair value basis.

The Schemes meet the typical characteristics of an investment entity.

2 Summary of significant accounting policies (continued)

(b) Change in accounting policy (continued)

AASB 12 *Disclosure of interests in other entities* and Amendments to AASB 12:

The standard requires entities to disclose significant judgements and assumptions made in determining whether the entity controls, jointly controls, significantly influences or has some other interests in other entities. Entities will also be required to provide more disclosures around certain 'structured entities'. The amendments also introduce new disclosure requirements related to investment entities. Adoption of the standard has impacted certain disclosures in the Schemes' annual financial report, but has had no impact to the Schemes' financial position or results of operations.

AASB 127 (revised 2011) *Separate financial statements* and Amendments to AASB 127:

The objective of the standard is to prescribe the accounting and disclosure requirements when an entity prepares separate financial statements. The amendments require an investment entity as defined in AASB 10 to present separate financial statements as its only financial statements in the case where it measures all of its subsidiaries at fair value through profit or loss and to disclose that fact. As a result of the adoption of AASB 127, consolidated financial statements are no longer required to be prepared.

The adoption of this standard has had no impact on the Wholesale Concentrated Equity Fund, Wholesale Conservative Growth Fund, Wholesale Diversified Growth Fund, Wholesale Dynamic Fixed Income Fund, Wholesale Ethical SRI Fund, Wholesale Geared Australian Fund, Wholesale International Share Fund, Wholesale SHARE-PLUS Long Short Fund, Wholesale Smaller Companies Fund, Wholesale Smaller Companies Fund No.2 and Wholesale Split Growth Fund.

AASB 11 *Joint arrangements* and AASB 128 (revised 2011) *Investments in Associates and Joint Ventures* and related amendments have also been adopted, however, these standards have had no impact on the Schemes.

There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2013 that would be expected to have a material impact on the Schemes.

(c) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2014 reporting period and have not been early adopted by the Schemes. The assessment of the impact of these new standards (to the extent relevant to the Schemes) and interpretations is set out below:

AASB 9 *Financial Instruments (2009 or 2010 version)*, AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9*, AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*, AASB 2012-6 *Amendments to Australian Accounting Standards - Mandatory Effective Date of AASB 9 and Transition Disclosures* and AASB 2013-9 *Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments* (effective from 1 January 2017)

AASB 9 *Financial Instruments* addresses the classification, measurement and derecognition of financial assets and financial liabilities. It has now also introduced revised rules around hedge accounting. The standard is available for early adoption.

Management does not expect this to have a significant impact on the recognition and measurement of the Scheme's financial instruments as they are carried at fair value through profit or loss.

The derecognition rules have not been changed from the previous requirements, and the Schemes do not apply hedge accounting.

The Schemes have not yet decided when to adopt AASB 9.

2 Summary of significant accounting policies (continued)

(d) Financial instruments

(i) Classification

The Schemes' investments are classified at fair value through profit or loss. They comprise:

- Financial instruments held for trading

Derivative financial instruments such as futures, foreign exchange forward contracts, options and interest rate swaps are included under this classification. The Schemes do not designate any derivatives as hedges in a hedging relationship.

- Financial instruments designated at fair value through profit or loss upon initial recognition

These include financial assets that are not held for trading purposes and which may be sold. These are investments in exchange traded debt and equity instruments, unlisted trusts and commercial papers.

Financial assets and financial liabilities designated at fair value through profit or loss at inception are those that are managed and their performance evaluated on a fair value basis in accordance with the Schemes' documented investment strategies. The Schemes' policy is for the Responsible Entity to evaluate the information about these financial instruments on a fair value basis together with other related financial information.

The Schemes make short sales in which a borrowed security is sold in anticipation of a decline in the market value of that security, or it may use short sales for various arbitrage transactions. Short sales are classified as financial liabilities at fair value through profit or loss.

(ii) Recognition/derecognition

The Schemes recognise financial assets and financial liabilities on the date they become party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

Investments are derecognised when the right to receive cash flows from the investments has expired or the Schemes has transferred substantially all risks and rewards of ownership.

(iii) Measurement

Financial assets and liabilities held at fair value through profit or loss

At initial recognition, the Schemes measure a financial instrument at its fair value. Transaction costs of financial assets and liabilities held at fair value through profit or loss are expensed in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets and financial liabilities held at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income within net gains/(losses) on financial instruments held at fair value through 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.

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

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. The Schemes use a variety of methods and make assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

2 Summary of significant accounting policies (continued)

(d) Financial instruments (continued)

Loans and receivables

Loans and receivables are measured initially at fair value plus transaction costs and subsequently at amortised cost using the effective interest rate method, less impairment losses if any. Such assets are reviewed at each reporting date to determine whether there is objective evidence of impairment.

If evidence of impairment exists, an impairment loss is recognised in the statement of comprehensive income as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

If, in a subsequent period, the amount of an impairment loss recognised on a financial asset carried at amortised cost decreases and the decrease can be linked objectively to an event occurring after the write down, the write down is reversed through profit or loss.

Other financial assets and liabilities

Management considers that the carrying amount of cash and cash equivalents, other receivables and amounts due from brokers approximate fair value.

Other financial liabilities are initially measured at fair value and subsequently at amortised cost.

(iv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet 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.

(e) Net assets attributable to unitholders

Units are redeemable at the unitholders' option and are classified as financial liabilities. The units can be put back to the Schemes at any time for cash based on the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption price) at the balance sheet date if unitholders exercised their right to redeem units in the Schemes.

(f) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments 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 a liability on the balance sheet.

(g) Investment income

Interest income is recognised in the statements of comprehensive income for all interest bearing financial instruments using the effective interest method. Other changes in fair value for such instruments are recorded in accordance with the policies described in note 2(d).

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Schemes estimate cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but do not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

Dividend income is recognised on the ex-dividend date.

Trust distributions (including distributions from cash management trusts) are recognised on a present entitlements basis.

Other income is brought to account on an accruals basis.

2 Summary of significant accounting policies (continued)

(h) Expenses

All expenses, including Responsible Entity's fees, are recognised in the statements of comprehensive income on an accruals basis.

Dividends declared on securities sold short are recorded as a short selling expense on the ex-dividend date.

Interest expenses are recognised in the statements of comprehensive income as it accrues, using the effective interest method.

(i) Income tax

Under current legislation, the Schemes are not subject to income tax as unitholders are presently entitled to the income of the Schemes, provided the taxable income of the Schemes are fully distributed either by way of cash or reinvestment.

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

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

(j) Distributions

In accordance with the Schemes' Constitutions, the Schemes distribute their distributable income to unitholders by cash or reinvestment. The distributions are recognised in the statements of comprehensive income as finance costs attributable to unitholders.

(k) Change in net assets attributable to unitholders

Income not distributed is included in net assets attributable to unitholders. Movements in net assets attributable to unitholders are recognised in the statements of comprehensive income.

(l) Goods and Services Tax (GST)

The GST incurred on the cost of various services provided to the Schemes by third parties such as Responsible Entity's fees, has been passed onto the Schemes. The Schemes qualify for Reduced Input Tax Credits (RITC) hence Responsible Entity's fees and other expenses have been recognised in the statement of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the balance sheets. Cash flows relating to GST are included in the cash flow statement on a gross basis.

(m) 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 net foreign exchange gains/(losses) in the statements of comprehensive income.

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 the statements of comprehensive income on a net basis within net gains/(losses) on financial instruments held at fair value through profit or loss.

3 Net gains/(losses) on financial instruments held at fair value through profit or loss

Net gains/(losses) recognised in relation to financial assets and financial liabilities held at fair value through profit or loss:

	Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Net unrealised (losses)/gains on financial instruments designated at fair value through profit or Net realised losses on financial instruments held for trading	(111,973)	163,890	21,908	86,541	42,059	129,055
Net realised gains/(losses) on financial instruments designated at fair value through profit or loss	82,655	14,810	(484)	1,344	107,548	59,409
Net (losses)/gains on financial instruments held at fair value through profit or loss	(29,318)	178,700	21,424	87,885	149,607	188,334
	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund	Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$ ¹	30 June 2013 \$ ¹
Net unrealised gains/(losses) on financial instruments held for trading	323	(415)	198	(52)	(4,399)	3,854
Net unrealised gains/(losses) on financial instruments designated at fair value through profit or Net realised (losses)/gains on financial instruments held for trading	1,948	13,389	1,797	6,066	(4,508)	11,493
Net realised gains on financial instruments designated at fair value through profit or loss	(1,472)	3,019	(49)	1,510	252	(22,444)
Net gains/(losses) on financial instruments held at fair value through profit or loss	7,254	242	1,195	96	1,660	18,762
	8,053	16,235	3,141	7,620	(6,995)	11,665

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

3 Net gains/(losses) on financial instruments held at fair value through profit or loss (continued)

	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund	Wholesale Industrial Fund	Wholesale Industrial Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Net unrealised gains/(losses) on financial instruments held for trading	-	-	410	(764)	-	-
Net unrealised gains/(losses) on financial instruments designated at fair value through profit or loss	1,616	24,861	10,879	176,500	(363,613)	545,597
Net realised losses on financial instruments held for trading	-	-	(809)	(1,808)	-	-
Net realised gains on financial instruments designated at fair value through profit or loss	87,846	83,571	187,298	36,630	120,650	15,702
Net gains/(losses) on financial instruments held at fair value through profit or loss	89,462	108,432	197,778	210,558	(242,963)	561,299

	Wholesale International Share Fund	Wholesale International Share Fund	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Net unrealised gains on financial instruments held for trading	-	-	-	-	-	100
Net unrealised gains on financial instruments designated at fair value through profit or loss	5,831	35,224	2,036	1,144	18,187	28,374
Net realised losses on financial instruments held for trading	-	-	-	-	(12)	(268)
Net realised gains/(losses) on financial instruments designated at fair value through profit or loss	13,841	(1,045)	(4,190)	(5,773)	40,911	18,640
Net gains/(losses) on financial instruments held at fair value through profit or loss	19,672	34,179	(2,154)	(4,629)	59,086	46,846

	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Split Growth Fund	Wholesale Split Growth Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Net unrealised losses on financial instruments held for trading	(56)	-	-	-	-	-
Net unrealised gains on financial instruments designated at fair value through profit or loss	10,855	47,844	1,548	3,251	1,398	9,538
Net realised gains on financial instruments held for trading	115	-	-	-	-	-
Net realised gains on financial instruments designated at fair value through profit or loss	151,603	49,167	17	1,605	873	952
Net gains on financial instruments held at fair value through profit or loss	162,517	97,011	1,565	4,856	2,271	10,490

Perpetual Wholesale Funds
Notes to the financial statements
For the year ended 30 June 2014
(continued)

4 Other expenses

	Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund	Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Transaction costs	-	-	-	-	1,300	2,089	37	12	11	5
Mandate managers fees	-	-	-	-	-	-	-	-	17	9
Sundry expenses	-	-	-	-	57	12	-	389	-	59
Total	-	-	-	-	1,357	2,101	37	401	28	73

	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund	Wholesale Industrial Fund	Wholesale Industrial Fund	Wholesale International Share Fund	Wholesale International Share Fund
	30 June 2014 \$ ¹	30 June 2013 \$ ¹	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Transaction costs	132	234	2,191	2,313	3,299	3,147	-	-	-	-
Mandate managers fees	3,536	2,678	-	-	-	-	-	-	-	-
Sundry expenses	-	-	-	-	74	31	-	-	-	-
Total	3,668	2,912	2,191	2,313	3,373	3,178	-	-	-	-

	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Split Growth Fund	Wholesale Split Growth Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Transaction costs	-	-	1,383	845	2,805	3,404	-	-	-	-
Performance fees	-	-	1,007	2,427	-	-	-	-	-	-
Sundry expenses	-	-	17	10	86	17	-	-	-	-
Total	-	-	2,407	3,282	2,891	3,421	-	-	-	-

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

5 Distributions to unitholders

The distributions for the year were as follows:

	Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund
	30 June 2014 \$'000	30 June 2014 CPU	30 June 2013 \$'000	30 June 2013 CPU	30 June 2014 \$'000	30 June 2014 CPU	30 June 2013 \$'000	30 June 2013 CPU	30 June 2014 \$'000	30 June 2014 CPU	30 June 2013 \$'000	30 June 2013 CPU
Distributions paid - December	29,284	3.68	30,252	3.92	18,396	3.33	15,752	2.99	17,259	3.15	15,421	3.04
Distributions payable - June	352,723	43.80	129,855	17.11	55,832	10.03	38,108	7.20	120,456	21.82	69,894	13.35
Total distributions	382,007		160,107		74,228		53,860		137,715		85,315	

	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund	Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund
	30 June 2014 \$'000	30 June 2014 CPU	30 June 2013 \$'000	30 June 2013 CPU	30 June 2014 \$'000	30 June 2014 CPU	30 June 2013 \$'000	30 June 2013 CPU	30 June 2014 \$ ¹	30 June 2014 CPU	30 June 2013 \$ ¹	30 June 2013 CPU
Distributions paid - September	163	0.06	2,155	0.85	363	0.44	402	0.55	29,648	0.62	58,938	1.40
Distributions paid - December	3,550	1.22	3,767	1.49	1,565	1.83	1,358	1.86	47,586	0.92	42,400	1.00
Distributions paid - March	679	0.23	3,802	1.48	10	0.01	1,265	1.69	52,676	1.02	24,152	0.71
Distributions payable - June	20,543	6.77	7,506	2.83	6,095	6.88	2,510	3.24	140,809	2.31	55,252	1.61
Total distributions	24,935		17,230		8,033		5,535		270,719		180,742	

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

5 Distributions to unitholders (continued)

The distributions for the year were as follows:

	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund	Wholesale Industrial Fund	Wholesale Industrial Fund	Wholesale Industrial Fund	Wholesale Industrial Fund
	30 June 2014 \$'000	30 June 2014 CPU	30 June 2013 \$'000	30 June 2013 CPU	30 June 2014 \$'000	30 June 2014 CPU	30 June 2013 \$'000	30 June 2013 CPU	30 June 2014 \$'000	30 June 2014 CPU	30 June 2013 \$'000	30 June 2013 CPU
Distributions paid - September	-	-	-	-	-	-	-	-	16,500	1.13	17,924	1.14
Distributions paid - December	10,284	2.87	6,824	2.62	18,035	8.59	14,590	7.00	28,241	1.96	28,619	1.88
Distributions paid - March	-	-	-	-	-	-	-	-	23,448	1.64	18,902	1.26
Distributions payable - June	60,171	15.24	7,662	2.48	16,071	7.69	8,450	4.11	729,557	51.85	37,700	2.56
Total distributions	70,455		14,486		34,106		23,040		797,746		103,145	

	Wholesale International Share Fund	Wholesale International Share Fund	Wholesale International Share Fund	Wholesale International Share Fund	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund
	30 June 2014 \$'000	30 June 2014 CPU	30 June 2013 \$'000	30 June 2013 CPU	30 June 2014 \$'000	30 June 2014 CPU	30 June 2013 \$'000	30 June 2013 CPU	30 June 2014 \$'000	30 June 2014 CPU	30 June 2013 \$'000	30 June 2013 CPU
Distributions paid - July	-	-	-	-	424	0.23	981	0.26	-	-	-	-
Distributions paid - August	-	-	-	-	667	0.36	1,034	0.28	-	-	-	-
Distributions paid - September	-	-	-	-	343	0.24	797	0.29	-	-	-	-
Distributions paid - October	-	-	-	-	357	0.25	749	0.27	-	-	-	-
Distributions paid - November	-	-	-	-	332	0.23	721	0.26	-	-	-	-
Distributions paid - December	-	-	-	-	355	0.24	843	0.30	3,687	2.72	1,623	2.08
Distributions paid - January	-	-	-	-	325	0.22	663	0.24	-	-	-	-
Distributions paid - February	-	-	-	-	304	0.21	560	0.20	-	-	-	-
Distributions paid - March	-	-	-	-	321	0.33	485	0.26	-	-	-	-
Distributions paid - April	-	-	-	-	238	0.24	255	0.14	-	-	-	-
Distributions paid - May	-	-	-	-	220	0.22	450	0.24	-	-	-	-
Distributions payable - June	1,319	1.34	1,962	1.58	468	0.48	427	0.23	41,658	23.65	14,628	15.01
Total distributions	1,319		1,962		4,354		7,965		45,345		16,251	

5 Distributions to unitholders (continued)

The distributions for the year were as follows:

	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Split Growth Fund	Wholesale Split Growth Fund	Wholesale Split Growth Fund	Wholesale Split Growth Fund
	30 June 2014 \$'000	30 June 2014 CPU	30 June 2013 \$'000	30 June 2013 CPU	30 June 2014 \$'000	30 June 2014 CPU	30 June 2013 \$'000	30 June 2013 CPU	30 June 2014 \$'000	30 June 2014 CPU	30 June 2013 \$'000	30 June 2013 CPU
Distributions paid - December	10,102	1.68	12,363	2.33	864	0.95	1,152	1.31	-	-	-	-
Distributions payable - June	156,934	26.16	53,051	10.15	12,671	14.44	5,703	6.73	2,891	7.63	993	2.46
Total distributions	167,036		65,414		13,535		6,855		2,891		993	

6 Net assets attributable to unitholders

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

	Wholesale Australian Fund		Wholesale Australian Fund		Wholesale Balanced Growth Fund		Wholesale Balanced Growth Fund		Wholesale Concentrated Equity Fund		Wholesale Concentrated Equity Fund	
	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
Net assets attributable to unitholders												
Opening balance	758,821	787,624	1,415,112	1,291,749	529,446	533,663	758,384	676,901	523,672	469,786	905,049	686,950
Applications	138,953	90,557	296,005	174,149	102,835	58,155	158,692	81,926	169,426	136,641	329,827	235,227
Redemptions	(139,922)	(164,115)	(296,245)	(311,288)	(95,828)	(79,020)	(147,865)	(110,035)	(149,569)	(95,308)	(292,079)	(165,798)
Units issued upon reinvestment of distributions	47,393	44,755	90,652	75,646	20,249	16,648	29,770	21,707	8,433	12,553	14,950	18,782
Change in net assets attributable to unitholders	-	-	(111,019)	184,856	-	-	33,352	87,885	-	-	42,199	129,888
Closing balance	805,245	758,821	1,394,505	1,415,112	556,702	529,446	832,333	758,384	551,962	523,672	999,946	905,049

	Wholesale Conservative Growth Fund		Wholesale Conservative Growth Fund		Wholesale Diversified Growth Fund		Wholesale Diversified Growth Fund		Wholesale Dynamic Fixed Income Fund		Wholesale Dynamic Fixed Income Fund	
	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000	Units ¹	Units ¹	\$ ¹	\$ ¹
Net assets attributable to unitholders												
Opening balance	265,550	249,042	297,708	263,962	77,494	72,364	86,652	73,741	3,431,501	3,895,738	3,464,842	3,926,820
Applications	70,601	43,445	82,515	48,976	29,918	17,566	35,350	19,554	3,456,622	431,816	3,522,057	441,076
Redemptions	(41,562)	(40,526)	(48,564)	(45,391)	(21,476)	(15,796)	(25,355)	(17,415)	(811,544)	(983,164)	(823,472)	(1,005,830)
Units issued upon reinvestment of distributions	9,057	13,589	10,311	14,807	2,646	3,360	3,029	3,573	16,975	87,111	17,182	87,967
Change in net assets attributable to unitholders	-	-	2,690	15,354	-	-	2,323	7,199	-	-	1,868	14,809
Closing balance	303,646	265,550	344,660	297,708	88,582	77,494	101,999	86,652	6,093,554	3,431,501	6,182,477	3,464,842

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

6 Net assets attributable to unitholders (continued)

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

	Wholesale Ethical SRI Fund		Wholesale Ethical SRI Fund		Wholesale Geared Australian Fund		Wholesale Geared Australian Fund		Wholesale Industrial Fund		Wholesale Industrial Fund	
	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
Net assets attributable to unitholders												
Opening balance	309,167	237,199	551,655	320,554	205,399	219,965	553,664	388,575	1,470,363	1,624,488	2,636,512	2,313,249
Applications	136,738	119,566	279,189	203,058	70,509	52,605	249,709	133,584	356,213	206,037	714,177	343,210
Redemptions	(56,669)	(53,733)	(115,431)	(89,199)	(69,961)	(71,665)	(247,133)	(177,236)	(428,408)	(373,583)	(857,782)	(615,869)
Units issued upon reinvestment of distributions	5,653	6,135	10,936	9,028	3,159	4,494	10,481	9,407	8,974	13,421	17,288	20,582
Change in net assets attributable to unitholders	-	-	38,639	108,214	-	-	184,262	199,334	-	-	(312,013)	575,340
Closing balance	394,889	309,167	764,988	551,655	209,106	205,399	750,983	553,664	1,407,142	1,470,363	2,198,182	2,636,512

	Wholesale International Share Fund		Wholesale International Share Fund		Wholesale Monthly Income Fund		Wholesale Monthly Income Fund		Wholesale SHARE-PLUS Long Short Fund		Wholesale SHARE-PLUS Long Short Fund	
	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
Net assets attributable to unitholders												
Opening balance	124,269	149,664	145,471	136,022	186,813	372,235	183,043	370,287	97,464	65,868	228,744	122,851
Applications	36,350	9,393	47,253	9,447	-	-	-	-	95,872	45,160	258,523	105,453
Redemptions	(63,208)	(36,080)	(82,328)	(35,351)	(88,367)	(185,422)	(85,626)	(182,614)	(19,085)	(14,184)	(51,446)	(32,260)
Units issued upon reinvestment of distributions	713	1,292	836	1,174	-	-	-	-	1,871	620	4,513	1,235
Change in net assets attributable to unitholders	-	-	19,672	34,179	-	-	(2,153)	(4,630)	-	-	19,213	31,465
Closing balance	98,124	124,269	130,904	145,471	98,446	186,813	95,264	183,043	176,122	97,464	459,547	228,744

6 Net assets attributable to unitholders (continued)

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

	Wholesale Smaller Companies Fund		Wholesale Smaller Companies Fund		Wholesale Smaller Companies Fund No.2		Wholesale Smaller Companies Fund No.2		Wholesale Split Growth Fund		Wholesale Split Growth Fund	
	30 June 2014 Units '000	30 June 2013 Units '000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 Units '000	30 June 2013 Units '000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 Units '000	30 June 2013 Units '000	30 June 2014 \$'000	30 June 2013 \$'000
Net assets attributable to unitholders												
Opening balance	522,884	568,623	614,416	624,383	84,738	94,973	55,406	58,717	40,323	49,496	44,916	42,993
Applications	114,514	54,942	162,203	71,425	15,583	12,319	12,250	8,816	6,190	3,052	7,751	3,130
Redemptions	(80,606)	(121,802)	(113,896)	(153,355)	(20,042)	(25,439)	(15,687)	(18,016)	(9,107)	(12,521)	(11,339)	(12,048)
Units issued upon reinvestment of distributions	43,184	21,121	52,733	24,847	7,478	2,885	5,018	1,914	480	296	535	257
Change in net assets attributable to unitholders	-	-	10,550	47,116	-	-	1,543	3,975	-	-	4,521	10,584
Closing balance	599,976	522,884	726,006	614,416	87,757	84,738	58,530	55,406	37,886	40,323	46,384	44,916

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

Applications receivable and redemptions payable

At the reporting date, applications receivable and redemptions include redemptions payable. The applications receivable and redemptions payable have been included in the loans and receivables, and sundry creditors and accruals, respectively.

	Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund	Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Applications receivable	1,526	624	1,267	196	2,192	1,644	989	447	500	84
Redemptions payable	1,308	647	686	280	1,316	920	552	124	415	68

6 Net assets attributable to unitholders (continued)

Applications receivable and redemptions payable (continued)

At the reporting date, applications include applications receivable and redemptions include redemptions payable. The applications receivable and redemptions payable have been included in the loans and receivables, and sundry creditors and accruals, respectively.

	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund	Wholesale Industrial Fund	Wholesale Industrial Fund	Wholesale International Share Fund	Wholesale International Share Fund
	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	\$ ¹	\$ ¹	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Applications receivable	-	-	934	604	3,180	630	2,154	2,358	105	39
Redemptions payable	-	45	750	227	870	1,021	2,028	1,995	50	118

	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Split Growth Fund	Wholesale Split Growth Fund
	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Applications receivable	-	-	1,681	546	625	313	-	60	76	16
Redemptions payable	-	-	267	50	742	300	22	-	53	3

Capital risk management

The Schemes consider their net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders 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.

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

7 Financial assets held at fair value through profit or loss

	Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund	Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund
	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000
Held for trading										
Foreign exchange forward contracts	-	-	-	-	-	-	44	-	31	-
Futures	-	-	-	-	-	-	73	1,163	22	155
Swaps	-	-	-	-	-	-	282	-	138	-
	-	-	-	-	-	-	399	1,163	191	155
Designated at fair value through profit or loss										
Listed equities	-	-	-	-	1,034,424	903,021	5,403	4,400	1,603	-
Unlisted unit trusts	1,490,046	1,420,465	820,666	771,488	78,614	37,313	323,456	295,599	90,702	85,507
Fixed interest securities	-	-	-	-	-	-	19,891	2,769	7,446	923
	1,490,046	1,420,465	820,666	771,488	1,113,038	940,334	348,750	302,768	99,751	86,430
Total financial assets held at fair value through profit or loss	1,490,046	1,420,465	820,666	771,488	1,113,038	940,334	349,149	303,931	99,942	86,585

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

	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund	Wholesale Industrial Fund	Wholesale Industrial Fund	Wholesale International Share Fund	Wholesale International Share Fund
	Fair value 30 June 2014 \$ ¹	Fair value 30 June 2013 \$ ¹	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000
Held for trading										
Futures	-	5,375	-	-	-	-	-	-	-	-
	-	5,375	-	-	-	-	-	-	-	-
Designated at fair value through profit or loss										
Listed equities	-	-	761,540	546,708	1,676,947	1,278,803	-	-	-	-
Unlisted equities	-	-	5,067	-	-	-	-	-	-	-
Unlisted unit trusts	6,025,528	3,398,904	-	-	-	-	2,257,605	2,613,827	130,524	145,199
	6,025,528	3,398,904	766,607	546,708	1,676,947	1,278,803	2,257,605	2,613,827	130,524	145,199
Total financial assets held at fair value through profit or loss	6,025,528	3,404,279	766,607	546,708	1,676,947	1,278,803	2,257,605	2,613,827	130,524	145,199
	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Split Growth Fund	Wholesale Split Growth Fund
	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000
Designated at fair value through profit or loss										
Listed equities	-	-	453,922	245,905	844,320	626,237	-	-	-	-
Unlisted equities	-	-	3,016	-	17,873	7,895	-	-	-	-
Unlisted unit trusts	93,002	177,114	-	-	7,168	21,400	58,530	56,286	44,782	45,417
	93,002	177,114	456,938	245,905	869,361	655,532	58,530	56,286	44,782	45,417
Total financial assets held at fair value through profit or loss	93,002	177,114	456,938	245,905	869,361	655,532	58,530	56,286	44,782	45,417

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

8 Financial liabilities held at fair value through profit or loss

	Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund	Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund
	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000
Held for trading										
Foreign exchange forward contracts	-	-	-	-	-	-	7	502	5	-
Futures	-	-	-	-	-	-	570	154	175	6
Swaps	-	-	-	-	-	-	-	986	-	334
Total financial liabilities held at fair value through profit or loss	-	-	-	-	-	-	577	1,642	180	340

	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund	Wholesale Industrial Fund	Wholesale Industrial Fund	Wholesale International Share Fund	Wholesale International Share Fund
	Fair value 30 June 2014 \$ ¹	Fair value 30 June 2013 \$ ¹	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000
Held for trading										
Foreign exchange forward contracts	-	-	-	-	-	410	-	-	-	-
Futures	-	963	-	-	-	-	-	-	-	-
Total financial liabilities held at fair value through profit or loss	-	963	-	-	-	410	-	-	-	-

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

8 Financial liabilities held at fair value through profit or loss (continued)

	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Split Growth Fund	Wholesale Split Growth Fund
	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000	Fair value 30 June 2014 \$'000	Fair value 30 June 2013 \$'000
Held for trading										
Options	-	-	-	-	590	-	-	-	-	-
	-	-	-	-	590	-	-	-	-	-
Designated at fair value through profit or loss										
Listed equities sold short	-	-	90,008	41,373	-	-	-	-	-	-
	-	-	90,008	41,373	-	-	-	-	-	-
Total financial liabilities held at fair value through profit or loss	-	-	90,008	41,373	590	-	-	-	-	-

9 Loans and receivables

	Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund	Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Dividends/distributions receivable	257,182	124,503	67,499	25,004	8,950	7,431	12,606	8,888	5,130	3,170
Interest receivable	-	-	-	-	3	3	8	-	3	1
Applications receivable	1,526	624	1,267	196	2,192	1,644	989	447	500	84
Other receivables	-	-	-	-	243	268	30	21	7	5
Total loans and receivables	258,708	125,127	68,766	25,200	11,388	9,346	13,633	9,356	5,640	3,260

9 Loans and receivables (continued)

	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund	Wholesale Industrial Fund	Wholesale Industrial Fund	Wholesale International Share Fund	Wholesale International Share Fund
	30 June 2014 \$ ¹	30 June 2013 \$ ¹	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Dividends/distributions receivable	153,961	39,182	5,391	3,694	13,519	10,850	670,169	60,725	1,836	2,359
Interest receivable	281	143	65	20	18	1	-	-	-	-
Applications receivable	-	-	934	604	3,180	630	2,154	2,358	105	39
Other receivables	195	199	200	161	395	345	391	353	22	33
Total loans and receivables	154,437	39,524	6,590	4,479	17,112	11,826	672,714	63,436	1,963	2,431

	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Split Growth Fund	Wholesale Split Growth Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
Dividends/distributions receivable	525	531	3,266	1,521	854	745	12,671	4,823	4,487	486
Interest receivable	5	12	240	74	5	4	-	-	-	-
Applications receivable	-	-	1,681	546	625	313	-	60	76	16
Other receivables	13	26	245	209	237	220	-	-	7	6
Total loans and receivables	543	569	5,432	2,350	1,721	1,282	12,671	4,883	4,570	508

10 Bank overdraft

	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund
	Carrying amount 30 June 2014 \$'000	Carrying amount 30 June 2013 \$'000	Carrying amount 30 June 2014 \$'000	Carrying amount 30 June 2013 \$'000
Bank overdraft	-	4,810	923,235	729,057
Loan interest payable	-	2	2,431	2,733
	-	4,812	925,666	731,790

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

11 Related party transactions

Responsible Entity

The Responsible Entity of the Perpetual Wholesale 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

Key management personnel includes persons who were directors of Perpetual Investment Management Limited at anytime during the financial year or since the end of the year and up to the date of this report as follows:

G Foster (appointed 25 January 2013, Alternate for G Larkins)
M Gordon (appointed 28 March 2013)
J Hawkins (appointed 6 July 2012)
G Larkins (appointed 7 January 2013)
P Lynch (appointed 6 July 2012, Alternate for J Hawkins)
P Statham (appointed 9 September 2013, Alternate for M Gordon)

(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 or since the end of the financial year.

Key management personnel unitholdings

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

At 30 June 2014, M Gordon held 33,431 units (2013: 21,689 units) in Wholesale Ethical SRI Fund and 8,293 units (2013: nil) in Wholesale Conservative Growth Fund.

11 Related party transactions (continued)

Key management personnel loan disclosures

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.

Other transactions within the Schemes

Apart from those details disclosed in this note, no key management personnel have entered into any transactions with the Schemes during the financial year and there were no material balances involving key management personnel's interests outstanding at year end.

Responsible Entity's fees and other transactions

The Responsible Entity's fees are calculated in accordance with the Schemes' Constitutions (as amended). The Responsible Entity's fee is a percentage of the net asset value (except for the Wholesale Geared Australian Fund and Wholesale SHARE-PLUS Long Short Fund which is a percentage of the gross asset value) of the Schemes and is disclosed in the statements of comprehensive income.

The Responsible Entity's fees rate for each of the Schemes is as follows:

	% p.a.
Wholesale Australian Fund	0.990
Wholesale Balanced Growth Fund	1.040
Wholesale Concentrated Equity Fund	1.100
Wholesale Conservative Growth Fund	0.900
Wholesale Diversified Growth Fund	0.960
Wholesale Dynamic Fixed Income Fund	0.700
Wholesale Ethical SRI Fund	1.175
Wholesale Geared Australian Fund	1.170
Wholesale Industrial Fund	0.990
Wholesale International Share Fund	1.226
Wholesale Monthly Income Fund	0.785
Wholesale SHARE-PLUS Long Short Fund	0.990
Wholesale Smaller Companies Fund	1.250
Wholesale Smaller Companies Fund No. 2	1.250
Wholesale Split Growth Fund	1.160

The Wholesale SHARE-PLUS Long Short Fund has a performance fee of 13.98% p.a. of the difference between the Scheme's daily return and its performance hurdle multiplied by the Scheme's adjusted net asset value subject to the conditions in the offer document being met.

11 Related party transactions (continued)

Responsible Entity's fees and other transactions (continued)

All related party transactions are conducted on normal commercial terms and conditions. The transactions during the year and amounts payable at year end between the Schemes and the Responsible Entity were as follows:

	Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund	Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund
	30 June 2014 \$	30 June 2013 \$	30 June 2014 \$	30 June 2013 \$	30 June 2014 \$	30 June 2013 \$	30 June 2014 \$	30 June 2013 \$	30 June 2014 \$	30 June 2013 \$
Responsible Entity's fees paid and payable directly by the Scheme	4,286	21,972	521	778	11,733,213	9,684,589	1,349,694	1,013,884	319,748	195,790
Fees payable to the Responsible Entity as at reporting date (included in sundry creditors and accruals)	-	-	-	-	1,125,625	939,186	150,991	90,612	36,293	21,753
Responsible Entity's fee rebate received and receivable directly by the Scheme	8,748	6	9,991	5,743	-	-	-	-	-	-
	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund	Wholesale Industrial Fund	Wholesale Industrial Fund	Wholesale International Share Fund	Wholesale International Share Fund
	30 June 2014 \$	30 June 2013 \$	30 June 2014 \$	30 June 2013 \$	30 June 2014 \$	30 June 2013 \$	30 June 2014 \$	30 June 2013 \$	30 June 2014 \$	30 June 2013 \$
Responsible Entity's fees paid and payable directly by the Scheme	10,066	8,087	8,519,766	5,324,207	18,852,571	13,512,057	28,486,742	25,308,436	1,859,812	1,647,241
Fees payable to the Responsible Entity as at reporting date (included in sundry creditors and accruals)	1,437	841	877,257	573,889	1,806,951	1,331,215	854,420	692,797	159,211	157,668

11 Related party transactions (continued)

Responsible Entity's fees and other transactions (continued)

	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Split Growth Fund	Wholesale Split Growth Fund
	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Responsible Entity's fees paid and payable directly by the Scheme	1,047,528	2,071,862	4,861,694	2,398,823	10,488,794	8,628,709	-	158	-	-
Fees payable to the Responsible Entity as at reporting date (included in sundry creditors and accruals)	200,349	382,648	601,245	281,573	992,348	751,663	-	-	-	-
Responsible Entity's fee rebate received and receivable directly by the Scheme	-	-	-	-	-	-	537	371	68,377	47,686
Rebates receivable from the Responsible Entity as at reporting date (included in other receivables)	-	-	-	-	-	-	-	-	6,563	5,894
Performance fee paid and payable to the Responsible Entity	-	-	1,007,239	2,426,715	-	-	-	-	-	-
Performance fee payable to the Responsible Entity	-	-	1,614,193	1,998,654	-	-	-	-	-	-

11 Related party transactions (continued)

Related party unitholdings

Perpetual Investment Management Limited, its related parties and other schemes managed by Perpetual Investment Management Limited, held units in the Schemes as follows:

Wholesale Australian Fund	Number of	Interest	Number of	Number of	Distributions	Number of	Interest	Number of	Number of	Distributions
	units held	held	units	units	paid/payable		units held	held	units	units
	30 June	30 June	30 June	30 June	by the	30 June	30 June	30 June	30 June	by the
	2014	2014	2014	2014	Scheme at	2013	2013	2013	2013	Scheme at
	'000	(%)	'000	'000	30 June	'000	(%)	'000	'000	30 June
					2014					2013
					\$'000					\$'000
Company										
Perpetual Protected Investments - Series 1	76	-	2,345	3,822	121	1,553	0.2	1,612	841	319
Superannuation Fund										
Perpetual Super Wrap	143	-	-	-	68	143	-	143	-	25
Wholesale Concentrated Equity Fund										
	Number of	Interest	Number of	Number of	Distributions	Number of	Interest	Number of	Number of	Distributions
	units held	held	units	units	paid/payable		units held	held	units	units
	30 June	30 June	30 June	30 June	by the	30 June	30 June	30 June	30 June	by the
	2014	2014	2014	2014	Scheme at	2013	2013	2013	2013	Scheme at
	'000	(%)	'000	'000	30 June	'000	(%)	'000	'000	30 June
					2014					2013
					\$'000					\$'000
Company										
Perpetual Limited	62	-	62	-	14	-	-	-	-	-
Managed Investment Scheme										
Perpetual WealthFocus Investment Advantage										
- Perpetual Concentrated Equity Option	21,869	4.0	6,052	5,371	5,481	21,188	4.0	7,085	5,146	3,485
Superannuation Funds										
Perpetual Select Superannuation Fund										
- Select Super Limited Share Super Non-Taxed Option	3,740	0.7	548	608	938	3,800	0.7	981	398	620
- Select Super Limited Share Super Taxed Option	6,733	1.2	1,506	1,600	1,685	6,827	1.3	2,881	2,394	1,126
Perpetual Super Wrap	698	0.1	731	257	175	224	-	224	-	30

11 Related party transactions (continued)

Related party unitholdings (continued)

Perpetual Investment Management Limited, its related parties and other schemes managed by Perpetual Investment Management Limited, held units in the Schemes as follows:

	Number of units held 30 June 2014 '000	Interest held 30 June 2014 (%)	Number of units acquired 30 June 2014 '000	Number of units disposed 30 June 2014 '000	Distributions paid/payable by the Scheme at 30 June 2014 \$'000	Number of units held 30 June 2013 '000	Interest held 30 June 2013 (%)	Number of units acquired 30 June 2013 '000	Number of units disposed 30 June 2013 '000	Distributions paid/payable by the Scheme at 30 June 2013 \$'000
Wholesale Conservative Growth Fund										
Managed Investment Scheme										
Perpetual WealthFocus Investment advantage										
- Perpetual Conservative Growth Option	20,517	6.8	4,255	2,958	1,701	19,220	7.2	4,141	3,134	1,240
Superannuation Funds										
Perpetual Super Wrap	1,035	0.3	317	-	83	718	0.3	718	-	36
Perpetual WealthFocus Superannuation Fund										
- Perpetual Conservative Growth Pension Option	38,894	12.8	9,553	5,765	3,177	35,106	13.2	10,131	6,855	2,261
- Perpetual Conservative Growth Super Option	27,511	9.1	8,666	8,619	2,269	27,464	10.3	8,554	8,881	1,820
Wholesale Diversified Growth Fund										
Managed Investment Scheme										
Perpetual WealthFocus Investment Advantage										
- Perpetual Diversified Growth Option	6,106	6.9	1,387	1,414	560	6,133	7.9	1,201	1,515	452
Superannuation Funds										
Perpetual Super Wrap	320	0.4	224	17	30	113	0.1	113	-	5
Perpetual WealthFocus Superannuation Fund										
- Perpetual Diversified Growth Pension Option	22,695	25.6	6,697	4,178	2,046	20,176	26.0	4,280	3,163	1,456
- Perpetual Diversified Growth Super Option	21,781	24.6	7,542	8,126	2,010	22,365	28.9	5,975	4,800	1,621

11 Related party transactions (continued)

Related party unitholdings (continued)

Perpetual Investment Management Limited, its related parties and other schemes managed by Perpetual Investment Management Limited, held units in the Schemes as follows:

Wholesale Dynamic Fixed Income Fund	Number of units held 30 June 2014	Interest held 30 June 2014 (%)	Number of units acquired 30 June 2014	Number of units disposed 30 June 2014	Distributions paid/payable by the Scheme at 30 June 2014 \$¹	Number of units held 30 June 2013	Interest held 30 June 2013 (%)	Number of units acquired 30 June 2013	Number of units disposed 30 June 2013	Distributions paid/payable by the Scheme at 30 June 2013 \$¹
Company										
Perpetual Limited	2,552,919	41.9	-	-	124,303	2,552,919	74.4	59,197	-	120,474
Wholesale Ethical SRI Fund	Number of units held 30 June 2014 '000	Interest held 30 June 2014 (%)	Number of units acquired 30 June 2014 '000	Number of units disposed 30 June 2014 '000	Distributions paid/payable by the Scheme at 30 June 2014 \$'000	Number of units held 30 June 2013 '000	Interest held 30 June 2013 (%)	Number of units acquired 30 June 2013 '000	Number of units disposed 30 June 2013 '000	Distributions paid/payable by the Scheme at 30 June 2013 \$'000
Company										
Perpetual Limited	188	0.1	188	-	31	-	-	-	-	-
Managed Investment Scheme										
Perpetual WealthFocus Investment Advantage - Perpetual Ethical SRI Option	28,170	7.1	10,918	7,634	5,069	24,886	8.0	13,749	8,037	1,151
Superannuation Fund										
Perpetual Super Wrap	147	-	43	37	27	141	-	141	-	4

¹ Stated to the nearest whole dollar as the Scheme does not meet the criteria set out in ASIC class order 98/100

11 Related party transactions (continued)

Related party unitholdings (continued)

Perpetual Investment Management Limited, its related parties and other schemes managed by Perpetual Investment Management Limited, held units in the Schemes as follows:

	Number of units held 30 June 2014 '000	Interest held 30 June 2014 (%)	Number of units acquired 30 June 2014 '000	Number of units disposed 30 June 2014 '000	Distributions paid/payable by the Scheme at 30 June 2014 \$'000	Number of units held 30 June 2013 '000	Interest held 30 June 2013 (%)	Number of units acquired 30 June 2013 '000	Number of units disposed 30 June 2013 '000	Distributions paid/payable by the Scheme at 30 June 2013 \$'000
Wholesale Geared Australian Fund										
Managed Investment Scheme										
Perpetual WealthFocus Investment Advantage										
- Perpetual Geared Australian Option	38,025	18.2	13,165	13,095	6,233	37,955	18.5	11,860	10,589	4,103
Wholesale Industrial Fund										
Superannuation Fund										
Perpetual Super Wrap	177	-	63	304	104	418	-	401	59	24
Wholesale International Share Fund										
Superannuation Fund										
Perpetual Super Wrap	21	-	-	9	-	30	-	30	-	-

11 Related party transactions (continued)

Related party unitholdings (continued)

Perpetual Investment Management Limited, its related parties and other schemes managed by Perpetual Investment Management Limited, held units in the Schemes as follows:

	Number of units held 30 June 2014 '000	Interest held 30 June 2014 (%)	Number of units acquired 30 June 2014 '000	Number of units disposed 30 June 2014 '000	Distributions paid/payable by the Scheme at 30 June 2014 \$'000	Number of units held 30 June 2013 '000	Interest held 30 June 2013 (%)	Number of units acquired 30 June 2013 '000	Number of units disposed 30 June 2013 '000	Distributions paid/payable by the Scheme at 30 June 2013 \$'000
Wholesale Monthly Income Fund										
Superannuation Funds										
Perpetual WealthFocus Superannuation Fund										
- Perpetual Mortgage Pension Option	2,444	2.5	-	2,297	108	4,741	2.5	174	5,004	200
- Perpetual Mortgage Super Option	1,928	2.0	81	1,731	85	3,578	1.9	64	4,031	158
Wholesale SHARE-PLUS Long Short Fund										
Company										
Perpetual Limited	170	0.1	170	-	41	-	-	-	-	-
Managed Investment Scheme										
Perpetual WealthFocus Investment Advantage										
- Perpetual SHARE-PLUS Long Short Option	10,259	5.8	6,536	3,084	2,672	6,807	7.0	2,832	1,195	1,135

11 Related party transactions (continued)

Related party unitholdings (continued)

Perpetual Investment Management Limited, its related parties and other schemes managed by Perpetual Investment Management Limited, held units in the Schemes as follows:

Wholesale Smaller Companies Fund	Number of units held	Interest held	Number of units acquired	Number of units disposed	Distributions paid/payable by the Scheme at	Number of units held	Interest held	Number of units acquired	Number of units disposed	Distributions paid/payable by the Scheme at
	30 June 2014	30 June 2014	30 June 2014	30 June 2014	30 June 2014	30 June 2013	30 June 2013	30 June 2013	30 June 2013	30 June 2013
	'000	(%)	'000	'000	\$'000	'000	(%)	'000	'000	\$'000
Managed Investment Schemes										
Perpetual Balanced Growth Fund No.2	26,166	4.4	23,098	-	7,279	3,068	0.6	3,068	-	311
Perpetual Diversified Real Return Fund	3,588	0.6	320	-	998	3,268	0.6	3,268	-	398
Perpetual WealthFocus Investment Advantage										
- Perpetual Smaller Companies Option	274,891	45.8	42,956	46,044	76,715	277,979	53.2	32,953	63,863	34,970
Perpetual Wholesale Conservative Growth Fund	5,846	1.0	7,153	1,686	1,654	379	0.1	379	-	38
Perpetual Wholesale Diversified Growth Fund	2,194	0.4	1,815	-	610	379	0.1	379	-	38
Perpetual Wholesale Smaller Companies Fund No. 2	48,442	8.1	13,164	12,257	13,512	47,535	9.1	9,211	14,760	5,974
Superannuation Fund										
Perpetual's Pooled Superannuation Trust										
- Smaller Companies Option	8,405	1.4	918	1,797	2,359	9,284	1.8	644	3,394	1,187
Perpetual Super Wrap	14	-	4	-	4	10	-	10	-	1
Wholesale Split Growth Fund										
	Number of units held	Interest held	Number of units acquired	Number of units disposed	Distributions paid/payable by the Scheme at	Number of units held	Interest held	Number of units acquired	Number of units disposed	Distributions paid/payable by the Scheme at
	30 June 2014	30 June 2014	30 June 2014	30 June 2014	30 June 2014	30 June 2013	30 June 2013	30 June 2013	30 June 2013	30 June 2013
	'000	(%)	'000	'000	\$'000	'000	(%)	'000	'000	\$'000
Managed Investment Scheme										
Perpetual WealthFocus Investment Advantage										
- Perpetual's Split Growth Fund	16,685	44.0	2,536	2,594	1,273	16,743	41.5	1,146	3,184	412

11 Related party transactions (continued)

Investments

The Schemes held investments in the following schemes which are also managed by Perpetual Investment Management Limited or its related parties:

Wholesale Australian Fund	Number of units held 30 June 2014 '000	Fair value of investment 30 June 2014 \$'000	Interest held 30 June 2014 (%)	Number of units acquired 30 June 2014 '000	Number of units disposed 30 June 2014 '000	Distributions received/receivable by the Scheme at 30 June 2014 \$'000	Number of units held 30 June 2013 '000	Fair value of investment 30 June 2013 \$'000	Interest held 30 June 2013 (%)	Number of units acquired 30 June 2013 '000	Number of units disposed 30 June 2013 '000	Distributions received/receivable by the Scheme at 30 June 2013 \$'000
	271,401	1,490,046	83.4	68,911	52,343	300,301	254,833	1,420,465	79.9	63,536	62,985	166,285
Wholesale Balanced Growth Fund	Number of units held 30 June 2014 '000	Fair value of investment 30 June 2014 \$'000	Interest held 30 June 2014 (%)	Number of units acquired 30 June 2014 '000	Number of units disposed 30 June 2014 '000	Distributions received/receivable by the Scheme at 30 June 2014 \$'000	Number of units held 30 June 2013 '000	Fair value of investment 30 June 2013 \$'000	Interest held 30 June 2013 (%)	Number of units acquired 30 June 2013 '000	Number of units disposed 30 June 2013 '000	Distributions received/receivable by the Scheme at 30 June 2013 \$'000
	518,776	820,666	70.3	96,652	79,657	86,147	501,781	771,488	69.7	83,537	85,599	53,855
Wholesale Concentrated Equity Fund	Number of units held 30 June 2014 '000	Fair value of investment 30 June 2014 \$'000	Interest held 30 June 2014 (%)	Number of units acquired 30 June 2014 '000	Number of units disposed 30 June 2014 '000	Distributions received/receivable by the Scheme at 30 June 2014 \$'000	Number of units held 30 June 2013 '000	Fair value of investment 30 June 2013 \$'000	Interest held 30 June 2013 (%)	Number of units acquired 30 June 2013 '000	Number of units disposed 30 June 2013 '000	Distributions received/receivable by the Scheme at 30 June 2013 \$'000
	78,614	78,614	7.4	313,301	272,000	1,790	37,313	37,313	4.5	400,151	377,900	1,295

11 Related party transactions (continued)

Investments (continued)

The Schemes held investments in the following schemes which are also managed by Perpetual Investment Management Limited or their related parties:

Wholesale Conservative Growth Fund	Number of units held 30 June 2014 '000	Fair value of investment 30 June 2014 \$'000	Interest held 30 June 2014 (%)	Number of units acquired 30 June 2014 '000	Number of units disposed 30 June 2014 '000	Distributions	Number of units held 30 June 2013 '000	Fair value of investment 30 June 2013 \$'000	Interest held 30 June 2013 (%)	Number of units acquired 30 June 2013 '000	Number of units disposed 30 June 2013 '000	Distributions
						received/ reivable by the Scheme at 30 June 2014 \$'000						received/ reivable by the Scheme at 30 June 2013 \$'000
Managed Investment Schemes												
Perpetual Active Fixed Interest Fund	98,054	100,516	42.5	14,052	4,880	5,513	88,882	89,780	38.1	11,934	-	5,790
Perpetual Australian Share Fund	5,411	29,709	1.7	817	2,903	6,153	7,497	41,788	2.4	967	96	4,843
Perpetual Diversified Income Fund	29,494	28,493	4.0	6,440	4,307	1,523	27,361	26,269	4.9	7,800	-	1,195
Perpetual Diversified Real Return Fund	18,765	19,969	14.5	2,317	-	1,497	16,448	16,928	15.2	8,310	-	1,439
Perpetual Dynamic Global Property Fund	9,432	9,765	19.9	9,432	-	463	-	-	-	-	-	-
Perpetual Economic Diversification Global Equity Fund	8,985	13,515	9.0	1,292	3,725	990	11,418	15,300	11.9	4,958	2,368	895
Perpetual Exact Market Cash Fund	-	-	-	147	12,424	70	12,277	12,728	11.0	851	25,411	736
Perpetual Institutional Cash Management Trust	46,901	46,901	4.4	107,671	76,300	855	15,530	15,530	1.9	55,260	53,900	287
Perpetual International Share Fund	11,033	10,969	3.6	50	6,381	9	17,364	15,154	5.0	146	4,745	44
Perpetual Pure Credit Alpha Fund	9,972	10,795	15.9	3,500	-	-	6,472	6,377	16.0	525	-	-
Perpetual Pure Equity Alpha Fund	4,323	4,643	2.5	3,016	-	368	1,307	1,354	1.7	1,307	-	141
Perpetual Secured Private Debt Fund No. 1	2,136	2,139	3.0	-	3,072	230	5,208	5,236	3.0	-	-	326
Perpetual Smart Beta Emerging Market Equities Fund	5,116	5,123	6.0	5,116	-	152	-	-	-	-	-	-
Perpetual Wholesale Property Income Fund	-	-	-	-	22,496	78	22,496	16,256	17.9	618	3,551	535
Perpetual's Mezzanine Mortgage Pool Fund	3,468	3,499	22.6	383	8,070	143	11,155	11,114	22.6	2,433	7,075	1,010
Perpetual Wholesale Smaller Companies Fund	5,846	7,064	1.0	7,153	1,686	1,654	379	449	0.1	379	-	38

11 Related party transactions (continued)

Investments (continued)

The Schemes held investments in the following schemes which are also managed by Perpetual Investment Management Limited or their related parties:

Wholesale Diversified Growth Fund	Number of units held 30 June 2014 '000	Fair value of investment 30 June 2014 \$'000	Interest held 30 June 2014 (%)	Number of units acquired 30 June 2014 '000	Number of units disposed 30 June 2014 '000	Distributions	Number of units held 30 June 2013 '000	Fair value of investment 30 June 2013 \$'000	Interest held 30 June 2013 (%)	Number of units acquired 30 June 2013 '000	Number of units disposed 30 June 2013 '000	Distributions
						received/ by the						received/ by the
						Scheme at						Scheme at
						30 June 2014 \$'000						30 June 2013 \$'000
Managed Investment Schemes												
Perpetual Active Fixed Interest Fund	18,772	19,243	8.1	3,586	1,952	1,089	17,138	17,311	7.4	2,717	-	1,097
Perpetual Australian Share Fund	2,798	15,363	0.9	321	339	3,131	2,816	15,694	0.9	381	166	1,845
Perpetual Diversified Income Fund	6,648	6,423	0.9	1,030	1,026	348	6,644	6,379	1.3	1,303	-	309
Perpetual Diversified Real Return Fund	7,288	7,756	5.6	900	-	581	6,388	6,575	5.9	2,410	-	559
Perpetual Dynamic Global Property Fund	2,840	2,940	6.0	2,840	-	139	-	-	-	-	-	-
Perpetual Economic Diversification Global Equity Fund	5,110	7,686	5.1	577	-	563	4,533	6,074	4.7	948	-	355
Perpetual Exact Market Cash Fund	-	-	-	-	-	-	-	-	-	26	2,498	12
Perpetual International Share Fund	8,014	7,968	0.3	27	1,405	7	9,392	8,196	2.7	89	4,082	24
Perpetual Institutional Cash Management Trust	1,588	1,588	0.1	31,042	35,600	136	6,146	6,146	0.7	17,899	17,200	122
Perpetual Pure Credit Alpha Fund	3,015	3,264	4.8	1,171	-	-	1,844	1,818	4.6	-	-	-
Perpetual Pure Equity Alpha Fund	2,418	2,597	1.4	248	-	206	2,170	2,249	2.8	90	-	265
Perpetual Secured Private Debt Fund No. 1	598	598	0.8	-	859	64	1,457	1,465	0.8	-	-	91
Perpetual Smart Beta Emerging Market Equities Fund	2,948	2,952	3.4	2,948	-	88	-	-	-	-	-	-
Perpetual Wholesale Property Income Fund	-	-	-	-	6,447	22	6,447	4,658	5.1	174	887	153
Perpetual's Mezzanine Mortgage Pool Fund	900	908	5.9	98	2,051	37	2,853	2,843	5.8	267	1,895	267
Perpetual Wholesale Smaller Companies Fund	2,194	2,651	0.4	1,815	-	610	379	449	0.1	379	-	38

11 Related party transactions (continued)

Investments (continued)

The Schemes held investments in the following schemes which are also managed by Perpetual Investment Management Limited or their related parties:

Wholesale Dynamic Fixed Income Fund	Number of units held 30 June 2014	Fair value of investment 30 June 2014 \$ ¹	Interest held 30 June 2014 (%)	Number of units acquired 30 June 2014	Number of units disposed 30 June 2014	Distributions received/receivable by the Scheme at 30 June 2014 \$ ¹	Number of units held 30 June 2013	Fair value of investment 30 June 2013 \$ ¹	Interest held 30 June 2013 (%)	Number of units acquired 30 June 2013	Number of units disposed 30 June 2013	Distributions received/receivable by the Scheme at 30 June 2013 \$ ¹
Perpetual Active Fixed Interest Fund	2,959,316	3,033,625	1.3	1,609,401	328,993	146,324	1,678,908	1,695,865	0.7	161,240	388,634	129,835
Perpetual Diversified Income Fund	1,644,589	1,588,777	0.2	887,363	102,332	69,085	859,558	825,269	0.2	316,123	1,192,667	47,599
Wholesale Industrial Fund												
Managed Investment Scheme												
Perpetual Industrial Share Fund	2,136,157	2,257,605	66.2	440,040	525,202	757,183	2,221,319	2,613,827	64.8	344,570	606,613	142,494
Wholesale International Share Fund												
Managed Investment Scheme												
Perpetual's International Share Pool Fund	130,986	130,524	30.0	27,081	62,151	3,179	166,056	145,199	32.5	16,268	50,158	3,609

¹ Stated to the nearest whole dollar as the Scheme does not meet the criteria set out in ASIC class order 98/100

11 Related party transactions (continued)

Investments (continued)

The Schemes held investments in the following schemes which are also managed by Perpetual Investment Management Limited or their related parties:

	Number of units held 30 June 2014 '000	Fair value of investment 30 June 2014 \$'000	Interest held 30 June 2014 (%)	Number of units acquired 30 June 2014 '000	Number of units disposed 30 June 2014 '000	Distributions received/ receivable by the Scheme at 30 June 2014 \$'000	Number of units held 30 June 2013 '000	Fair value of investment 30 June 2013 \$'000	Interest held 30 June 2013 (%)	Number of units acquired 30 June 2013 '000	Number of units disposed 30 June 2013 '000	Distributions received/ receivable by the Scheme at 30 June 2013 \$'000
Wholesale Monthly Income Fund												
Managed Investment Schemes												
Perpetual Liquidity Pool Fund	14,664	14,477	56.2	-	15,203	932	29,867	29,867	56.2	-	47,331	1,604
Perpetual Mortgage Pool Fund	83,302	78,525	51.8	-	70,945	4,378	154,247	147,247	51.8	-	132,529	8,140
Wholesale Smaller Companies Fund												
Managed Investment Scheme												
Perpetual Institutional Cash Management Trust	7,168	7,168	0.7	525,668	539,900	1,000	21,400	21,400	2.6	427,756	411,600	732

11 Related party transactions (continued)

Investments (continued)

The Schemes held investments in the following schemes which are also managed by Perpetual Investment Management Limited or their related parties:

	Number of units held 30 June 2014 '000	Fair value of investment 30 June 2014 \$'000	Interest held 30 June 2014 (%)	Number of units acquired 30 June 2014 '000	Number of units disposed 30 June 2014 '000	Distributions received/ receivable by the Scheme at 30 June 2014 \$'000	Number of units held 30 June 2013 '000	Fair value of investment 30 June 2013 \$'000	Interest held 30 June 2013 (%)	Number of units acquired 30 June 2013 '000	Number of units disposed 30 June 2013 '000	Distributions received/ receivable by the Scheme at 30 June 2013 \$'000
Wholesale Smaller Companies Fund No.2												
Managed Investment Scheme												
Perpetual Wholesale Smaller Companies Fund	48,442	58,530	8.1	13,164	12,257	13,512	47,535	56,286	9.1	9,211	14,760	5,974
Wholesale Split Growth Fund												
Managed Investment Schemes												
Perpetual Industrial Share Fund	14,219	15,027	0.4	3,466	4,009	5,044	14,762	17,370	0.4	2,284	5,968	953
Perpetual Institutional Cash Management Trust	155	155	-	5	-	4	150	150	-	6	-	5
Perpetual International Share Fund	29,772	29,600	9.6	4,897	7,091	25	31,966	27,896	9.1	4,811	10,550	81

12 Auditor's remuneration

During the year the following fees were paid or payable by the Responsible Entity for services provided by the auditor of the Schemes:

	Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund	Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund
	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Audit and audit related services										
KPMG										
Total remuneration for audit and audit related services	13,654	18,724	13,654	17,637	20,475	19,374	7,966	7,731	7,966	7,731
	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund	Wholesale Industrial Fund	Wholesale Industrial Fund	Wholesale International Share Fund	Wholesale International Share Fund
	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Audit and audit related services										
KPMG										
Total remuneration for audit and audit related services	15,091	19,374	20,475	19,374	20,475	19,374	13,654	17,637	9,916	9,670
	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Split Growth Fund	Wholesale Split Growth Fund
	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Audit and audit related services										
KPMG										
Total remuneration for audit and audit related services	13,654	18,977	20,475	19,374	20,475	19,374	7,343	7,260	7,343	7,260

13 Reconciliation of operating profit to net cash inflow from operating activities

	Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
(a) Reconciliation of operating profit to net cash inflow from operating activities						
Operating profit	270,988	344,963	107,580	141,745	179,914	215,203
(Increase)/decrease in dividends/distributions receivable	(132,679)	19,256	(42,495)	(6,663)	(1,519)	(1,593)
Decrease in interest receivable	-	-	-	-	-	2
Decrease/(increase) in other receivables	-	-	-	-	25	(144)
Increase in sundry creditors and accruals	-	-	-	-	187	189
Net losses/(gains) on financial instruments held at fair value through profit or loss	29,318	(178,700)	(21,424)	(87,885)	(149,607)	(188,334)
Net foreign exchange (gains)/losses	-	-	-	-	(12)	27
Net cash inflow from operating activities	167,627	185,519	43,661	47,197	28,988	25,350
(b) Components of cash and cash equivalents						
Cash at the end of the financial year as shown in the cash flow statements is reconciled to the balance sheets as follows:						
Cash on hand	-	-	-	-	1,083	1,681
Total cash and cash equivalents	-	-	-	-	1,083	1,681

13 Reconciliation of operating profit to net cash inflow from operating activities (continued)

	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund	Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$ ¹	30 June 2013 \$ ¹
(a) Reconciliation of operating profit to net cash inflow from operating activities						
Operating profit	27,935	32,631	10,381	12,752	272,587	195,551
(Increase)/decrease in dividends/distributions receivable	(3,718)	(625)	(1,960)	(545)	(114,779)	44,487
(Increase)/decrease in interest receivable	(8)	3	(2)	2	(138)	538
(Increase)/decrease in other receivables	(9)	(8)	(2)	(3)	4	(96)
Increase in sundry creditors and accruals	56	3	13	5	596	82
Net (gains)/losses on financial instruments held at fair value through profit or loss	(8,053)	(16,235)	(3,141)	(7,620)	6,995	(11,665)
Net foreign exchange losses/(gains)	50	(32)	33	(120)	-	-
Net cash inflow from operating activities	16,253	15,737	5,322	4,471	165,265	228,897
(b) Components of cash and cash equivalents						
Cash at the end of the financial year as shown in the cash flow statements is reconciled to the balance sheets as follows:						
Bank overdraft	-	(6,097)	-	-	-	-
Cash on hand	1,624	-	2,523	140	144,758	73,622
Future deposits	1,220	1,287	380	108	-	4,518
Total cash and cash equivalents/(bank overdraft)	2,844	(4,810)	2,903	248	144,758	78,140

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

13 Reconciliation of operating profit to net cash inflow from operating activities (continued)

	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund	Wholesale Industrial Fund	Wholesale Industrial Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
(a) Reconciliation of operating profit to net cash inflow from operating activities						
Operating profit	109,094	122,700	245,146	246,338	485,733	678,485
Increase in dividends/distributions receivable	(1,697)	(2,082)	(2,669)	(3,999)	(609,444)	(23,628)
Increase in interest receivable	(45)	(6)	(17)	(1)	-	-
Increase in other receivables	(39)	(107)	(50)	(201)	(38)	(186)
Increase in sundry creditors and accruals	303	236	476	411	161	148
Net (gains)/losses on financial instruments held at fair value through profit or loss	(89,462)	(108,432)	(197,778)	(210,558)	242,963	(561,299)
Net foreign exchange losses/(gains)	-	-	123	(302)	-	-
Net cash inflow from operating activities	18,154	12,309	45,231	31,688	119,375	93,520
(b) Components of cash and cash equivalents						
Cash at the end of the financial year as shown in the cash flow statements is reconciled to the balance sheets as follows:						
Bank overdraft	-	-	(923,235)	(729,057)	-	-
Cash on hand	47,052	10,199	1,161	1,889	-	-
Total cash and cash equivalents/(bank overdraft)	47,052	10,199	(922,074)	(727,168)	-	-

13 Reconciliation of operating profit to net cash inflow from operating activities (continued)

	Wholesale International Share Fund	Wholesale International Share Fund	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
(a) Reconciliation of operating profit to net cash inflow from operating activities						
Operating profit	20,991	36,141	2,201	3,335	64,558	47,716
Decrease/(increase) in dividends/distributions receivable	523	736	6	809	(1,745)	(750)
Decrease/(increase) in interest receivable	-	-	7	29	(166)	(33)
Decrease/(increase) in other receivables	11	(12)	13	27	(36)	(161)
Increase/(decrease) in sundry creditors and accruals	1	8	(183)	(394)	(294)	2,164
Net (gains)/losses on financial instruments held at fair value through profit or loss	(19,672)	(34,179)	2,154	4,629	(59,086)	(46,846)
Net foreign exchange losses	-	-	-	-	25	14
Net cash inflow from operating activities	1,854	2,694	4,198	8,435	3,256	2,104
(b) Components of cash and cash equivalents						
Cash at the end of the financial year as shown in the cash flow statements is reconciled to the balance sheets as follows:						
Cash on hand	-	-	2,387	6,170	148,881	36,556
Total cash and cash equivalents	-	-	2,387	6,170	148,881	36,556

13 Reconciliation of operating profit to net cash inflow from operating activities (continued)

	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Split Growth Fund	Wholesale Split Growth Fund
	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000	30 June 2014 \$'000	30 June 2013 \$'000
(a) Reconciliation of operating profit to net cash inflow from operating activities						
Operating profit	177,586	112,530	15,078	10,830	7,412	11,577
(Increase)/decrease in dividends/distributions receivable	(109)	652	(7,848)	(3,204)	(4,001)	(38)
(Increase)/decrease in interest receivable	(1)	1	-	-	-	-
Increase in other receivables	(17)	(103)	-	-	(1)	(2)
Increase in sundry creditors and accruals	241	32	-	-	-	-
Net gains on financial instruments held at fair value through profit or loss	(162,517)	(97,011)	(1,565)	(4,856)	(2,271)	(10,490)
Net cash inflow from operating activities	15,183	16,101	5,665	2,770	1,139	1,047
(b) Components of cash and cash equivalents						
Cash at the end of the financial year as shown in the cash flow statements is reconciled to the balance sheets as follows:						
Cash on hand	2,316	1,997	-	-	-	-
Future deposits	1,330	-	-	-	-	-
Total cash and cash equivalents	3,646	1,997	-	-	-	-

14 Financial risk management

The Schemes' investing 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 define the obligations and regulatory requirements for the Schemes and minimise the risks in investment activities. This framework incorporates a regular assessment process to ensure procedures and controls adequately manage investment activities.

The investment activities of the Schemes are managed in accordance with the investment strategy specifically tailored for the Schemes' objectives. The strategy is approved by the Board of Directors of the Responsible Entity, and must comply with any authorised investments and management restrictions specified in the Schemes' Constitutions. The Schemes are permitted to use derivative products. The use of derivatives is considered to be part of the investment management process and is not managed in isolation.

This note presents information about the Schemes' exposure to each of the above risks. The Schemes use different methods to measure different types of risks to which it is exposed. These methods include sensitivity analysis in the case of interest rate risk, currency risk and price risk and ratings analysis for credit risk.

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The potential market risks are currency risk, interest rate risk and price risk.

The Schemes may use derivative instruments to manage these risks. However, the use of derivatives is limited to the investment strategy and restrictions specified in the Schemes' governing documents.

The Schemes held futures, foreign exchange forward contracts, swaps and options as at 30 June 2014 (30 June 2013: the Schemes held futures, foreign exchange forward contracts, swaps and options).

(i) Currency risk

Schemes that invest in financial instruments denominated in currencies other than the Australian dollar are exposed to currency risk. Currency risk arises as the income and value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates.

The Schemes may enter into derivative contracts to protect the valuation of financial assets and liabilities against variations in the exchange rates. However, for accounting purposes, the Schemes do not designate any derivatives as hedges, and hence these derivative financial instruments are classified as at fair value through profit or loss.

As of the balance sheet date, other than the Wholesale SHARE-PLUS Long Short Fund, the Schemes do not have significant exposure to currency risk.

14 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

Perpetual Wholesale SHARE-PLUS Long Short Fund

The following table summarises the net amount of monetary assets and liabilities denominated in currencies to which the Scheme is significantly exposed to:

		Net currency exposure 30 June 2014 \$'000	Net currency exposure 30 June 2013 \$'000
Australia	AUD	453,514	215,319
US	USD	5,791	825
United Kingdom	GBP	242	12,600
		<u>459,547</u>	<u>228,744</u>

Sensitivity analysis

The sensitivity analysis estimates the sensitivity of the Scheme's operating profit and net assets attributable to unitholders to the currency risk. The sensitivity rates represent management's best estimate of a reasonably possible movement in the foreign exchange rates, having regard to historical volatility of those rates.

A 10% strengthening of the AUD against the USD based on exposure at 30 June 2014 and 30 June 2013 would have decreased operating profit/(loss) and change in net assets attributable to unitholders by \$579,118 (2013: \$82,504). This analysis assumes that all other variables, in particular interest rates, remain constant.

A 8% strengthening of the AUD against the GBP based on exposure at 30 June 2014 and 30 June 2013 would have decreased operating profit/(loss) and change in net assets attributable to unitholders by \$19,372 (2013: \$1,007,961). This analysis assumes that all other variables, in particular interest rates, remain constant.

A reasonably possible weakening of the AUD against the above currency would have resulted in an equal but opposite effect to the amounts shown above.

14 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of 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. With the exception of the Wholesale Diversified Growth Fund and Wholesale Geared Australian Fund, interest rate risk is not considered to be significant to the Schemes and is limited to their cash holdings. Interest income from cash holdings is received at variable interest rates.

Wholesale Diversified Growth Fund

The Scheme is exposed to interest rate risk on its cash and interest bearing investments. Risk management techniques are used in the selection of investments which include periodic stress testing for debt securities.

The following table summaries the Scheme's exposure to interest rate risk:

	30 June 2014				30 June 2013			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
Financial assets								
Cash and cash equivalents	2,903	-	-	2,903	248	-	-	248
Fixed interest securities	-	7,446	-	7,446	-	923	-	923
Derivatives	138	-	53	191	126	-	29	155
Financial liabilities								
Derivatives	-	159	21	180	334	-	6	340

Wholesale Geared Australian Fund

The Scheme is exposed to interest rate risk on its cash holdings and borrowings. Interest income from cash holdings is received and interest expense from cash borrowings is incurred at variable interest rates. The weighted interest rate received on cash holdings as at 30 June 2014 is 4.55% (2013: 4.52%). The interest rate paid on cash borrowings as at 30 June 2014 is 2.80% (2013: 3.05%).

Sensitivity analysis

The sensitivity analysis estimates the sensitivity of the Scheme's operating profit and net assets attributable to unitholders to interest rate risk. The sensitivity rate is based on management's best estimate of a reasonably possible movement in the interest rates, having regard to historical levels of changes in interest rates.

An increase of 1% in interest rates applicable at reporting date would have the following effect on the Schemes' operating profit/(loss) and net assets attributable to unitholders. This analysis assumes that all variables, in particular foreign currency rates, remain constant. A decrease of 1% would have the equal, but opposite effect to the amounts shown below on the basis that all other variables remain constant.

	Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund
	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	\$	\$	\$	\$
Scheme's operating profit/(loss) and net assets attributable to unitholders	(475,589)	(30,135)	(9,220,693)	(7,272,088)

14 Financial risk management (continued)

(a) Market risk (continued)

(iii) Price risk

The Schemes are exposed to market price risk. The risk arises from investments held by the Schemes for which prices in the future are uncertain (other than arising from currency risk or interest rate risk).

The Schemes' asset managers aim to manage the impact of market price risk through the use of consistent and carefully considered investment guidelines. Risk management techniques are used in the selection of investments. Investments (including derivatives) are only purchased that meet investment criteria. Risk can be reduced by diversifying investments across several asset managers, markets, regions and different asset classes.

Sensitivity analysis

The sensitivity analysis estimates the sensitivity of the Schemes' operating profits and net assets attributable to unitholders to market price risk. The sensitivity rate is based on management's best estimate of a reasonably possible movement in the market price, having regard to historical correlation of the Schemes' investments with the relevant benchmark and market volatility.

An increase of 15% at the reporting date of the market prices would have the following effect on the operating profit/(loss) and change in net assets attributable to unitholders. This analysis assumes that all other variables remain constant.

	Wholesale Australian Fund	Wholesale Australian Fund	Wholesale Balanced Growth Fund	Wholesale Balanced Growth Fund	Wholesale Concentrated Equity Fund	Wholesale Concentrated Equity Fund	Wholesale Conservative Growth Fund	Wholesale Conservative Growth Fund	Wholesale Diversified Growth Fund	Wholesale Diversified Growth Fund
	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Scheme's operating profit and net assets attributable to unitholders	223,506,927	213,069,763	123,099,894	115,723,162	166,955,707	141,050,144	49,377,422	44,843,925	13,867,799	12,779,323

	Wholesale Dynamic Fixed Income Fund	Wholesale Dynamic Fixed Income Fund	Wholesale Ethical SRI Fund	Wholesale Ethical SRI Fund	Wholesale Geared Australian Fund	Wholesale Geared Australian Fund	Wholesale Industrial Fund	Wholesale Industrial Fund	Wholesale International Share Fund	Wholesale International Share Fund
	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Scheme's operating profit and net assets attributable to unitholders	903,829	509,836	114,991,038	82,006,125	251,541,998	191,820,483	338,640,682	392,073,978	19,578,550	21,779,879

14 Financial risk management (continued)

(a) Market risk (continued)

(iii) Price risk (continued)

Sensitivity analysis (continued)

	Wholesale Monthly Income Fund	Wholesale Monthly Income Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale SHARE-PLUS Long Short Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund	Wholesale Smaller Companies Fund No.2	Wholesale Smaller Companies Fund No.2	Wholesale Split Growth Fund	Wholesale Split Growth Fund
	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Scheme's operating profit and net assets attributable to unitholders	13,950,377	26,567,122	55,039,537	30,679,802	130,315,618	98,329,740	8,779,529	8,442,944	6,717,299	6,812,572

A decrease of 15% would have the equal, but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

(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 credit risk on derivative financial instruments, cash and cash equivalents, amounts due from broker and other receivables.

(i) Derivative financial instrument

The use of derivatives is limited to the investment strategy specifically tailored for the Schemes. Asset managers are only permitted to use derivative financial instruments that are noted on the Approved Derivatives List ("ADL"). The ADL is maintained by the Derivative Governance Committee ("DGC"). The DGC is a committee designed to assist in overseeing the management of derivative use.

The counterparty risk arising from entering into derivative contracts 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. The counterparty risk arising from over the counter derivative contracts is minimised by considering the credit worthiness of all counterparties and by entering into appropriate agreements with approved counterparties.

(ii) Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a rating of AA or higher (as determined by the Standard & Poor's or equivalent rating agency).

14 Financial risk management (continued)

(b) Credit risk (continued)

(iii) Amount due from brokers

All transactions in listed 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.

(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 call on derivatives.

The Schemes' investments are considered to be readily realisable. The Schemes primarily hold investments in an active market and can be readily disposed of. Only a limited proportion of their assets is held in investments not actively traded on a stock exchange.

The Schemes' investments in unlisted unit trusts expose the Schemes 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.

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 their investments in 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 and this includes the assessment of saleability in different market conditions. The Schemes' investment strategies generally define a minimum liquidity level for the Schemes which are monitored regularly.

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

Wholesale Australian Fund

	30 June 2014				30 June 2013			
	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000
Non-derivative financial liabilities								
Distributions payable to unitholders of the Scheme	352,723	352,723	-	352,723	129,855	129,855	-	129,855
Due to brokers - payable for securities purchased	1,386	1,386	-	1,386	562	562	-	562
Sundry creditors and accruals	1,308	1,308	-	1,308	647	647	-	647
Net assets attributable to unitholders	1,394,505	1,394,505	1,394,505	-	1,415,112	1,415,112	1,415,112	-
Total	1,749,922	1,749,922	1,394,505	355,417	1,546,176	1,546,176	1,415,112	131,064

14 Financial risk management (continued)

(c) Liquidity risk (continued)

Wholesale Balanced Growth Fund

	30 June 2014				30 June 2013			
	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000
Non-derivative financial liabilities								
Distributions payable to unitholders of the Scheme	55,832	55,832	-	55,832	38,108	38,108	-	38,108
Due to brokers - payable for securities purchased	1,267	1,267	-	1,267	196	196	-	196
Sundry creditors and accruals	686	686	-	686	280	280	-	280
Net assets attributable to unitholders	832,333	832,333	832,333	-	758,384	758,384	758,384	-
Total	890,118	890,118	832,333	57,785	796,968	796,968	758,384	38,584

Wholesale Concentrated Equity Fund

	30 June 2014				30 June 2013			
	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000
Non-derivative financial liabilities								
Distributions payable to unitholders of the Scheme	120,456	120,456	-	120,456	69,894	69,894	-	69,894
Due to brokers - payable for securities purchased	4,194	4,194	-	4,194	-	-	-	-
Sundry creditors and accruals	2,442	2,442	-	2,442	1,859	1,859	-	1,859
Net assets attributable to unitholders	999,946	999,946	999,946	-	905,049	905,049	905,049	-
Total	1,127,038	1,127,038	999,946	127,092	976,802	976,802	905,049	71,753

14 Financial risk management (continued)

(c) Liquidity risk (continued)

Wholesale Conservative Growth Fund

	30 June 2014					30 June 2013				
	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000	6-12 months \$'000	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000	6-12 months \$'000
Non-derivative financial liabilities										
Bank Overdraft	-	-	-	-	-	4,810	4,810	4,810	-	-
Distributions payable to unitholders of the Scheme	20,543	20,543	-	20,543	-	7,506	7,506	-	7,506	-
Due to brokers - payable for securities purchased	-	-	-	-	-	1,400	1,400	-	1,400	-
Interest payable	-	-	-	-	-	2	2	-	2	-
Sundry creditors and accruals	703	703	-	703	-	219	219	-	219	-
Net assets attributable to unitholders	344,660	344,660	344,660	-	-	297,708	297,708	297,708	-	-
Total	365,906	365,906	344,660	21,246	-	311,645	311,645	302,518	9,127	-
Derivative financial liabilities										
Futures	570	570	-	570	-	154	154	-	154	-
Foreign exchange forward contracts	7					502				
Outflow	-	798	-	798	-	-	10,698	-	10,698	-
Inflow	-	(791)	-	(791)	-	-	(10,698)	-	(10,698)	-
Swaps	-	-	-	-	-	986	986	-	306	680
Total	577	577	-	577	-	1,642	1,140	-	460	680

14 Financial risk management (continued)

(c) Liquidity risk (continued)

Wholesale Diversified Growth Fund

	30 June 2014				30 June 2013			
	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000
Non-derivative financial liabilities								
Distributions payable to unitholders of the Scheme	6,095	6,095	-	6,095	2,510	2,510	-	2,510
Due to brokers - payable for securities purchased	-	-	-	-	500	500	-	500
Sundry creditors and accruals	451	451	-	451	91	91	-	91
Net assets attributable to unitholders	101,999	101,999	101,999	-	86,652	86,652	86,652	-
Total	108,545	108,545	101,999	6,546	89,753	89,753	86,652	3,101
Derivative financial liabilities								
Futures	175	175	-	175	6	6	-	6
Foreign exchange forward contracts	5	-	-	-	-	-	-	-
Outflow	-	607	-	607	-	-	-	-
Inflow	-	(602)	-	(602)	-	-	-	-
Swaps	-	-	-	-	334	334	-	334
Total	180	180	-	180	340	340	-	340

Wholesale Dynamic Fixed Income Fund

	30 June 2014				30 June 2013			
	Carrying amount \$ ¹	Contractual cash flows \$ ¹	At call \$ ¹	6 months or less \$ ¹	Carrying amount \$ ¹	Contractual cash flows \$ ¹	At call \$ ¹	6 months or less \$ ¹
Non-derivative financial liabilities								
Distributions payable to unitholders of the Scheme	140,809	140,809	-	140,809	55,252	55,252	-	55,252
Sundry creditors and accruals	1,437	1,437	-	1,437	886	886	-	886
Net assets attributable to unitholders	6,182,477	6,182,477	6,182,477	-	3,464,842	3,464,842	3,464,842	-
Total	6,324,723	6,324,723	6,182,477	142,246	3,520,980	3,520,980	3,464,842	56,138
Derivative financial liabilities								
Futures	-	-	-	-	963	963	-	963
Total	-	-	-	-	963	963	-	963

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

14 Financial risk management (continued)

(c) Liquidity risk (continued)

Wholesale Ethical SRI Fund

	30 June 2014				30 June 2013			
	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000
Non-derivative financial liabilities								
Distributions payable to unitholders of the Scheme	60,171	60,171	-	60,171	7,662	7,662	-	7,662
Due to brokers - payable for securities purchased	7,789	7,789	-	7,789	1,305	1,305	-	1,305
Sundry creditors and accruals	1,627	1,627	-	1,627	801	801	-	801
Net assets attributable to unitholders	764,988	764,988	764,988	-	551,655	551,655	551,655	-
Total	834,575	834,575	764,988	69,587	561,423	561,423	551,655	9,768

Wholesale Geared Australian Fund

	30 June 2014				30 June 2013			
	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000
Non-derivative financial liabilities								
Bank overdraft	923,235	923,235	923,235	-	729,057	729,057	729,057	-
Distributions payable to unitholders of the Scheme	16,071	16,071	-	16,071	8,450	8,450	-	8,450
Due to brokers - payable for securities purchased	11,143	11,143	-	11,143	6,755	6,755	-	6,755
Interest payable	2,431	2,431	2,431	-	2,733	2,733	2,733	-
Sundry creditors and accruals	2,677	2,677	-	2,677	2,352	2,352	-	2,352
Net assets attributable to unitholders	750,983	750,983	750,983	-	553,664	553,664	553,664	-
Total	1,706,540	1,706,540	1,676,649	29,891	1,303,011	1,303,011	1,285,454	17,557
Derivative financial liabilities								
Foreign exchange forward contracts	-	-	-	-	410	-	-	-
Outflow	-	-	-	-	-	19,026	-	19,026
Inflow	-	-	-	-	-	(18,616)	-	(18,616)
Total	-	-	-	-	410	410	-	410

14 Financial risk management (continued)

(c) Liquidity risk (continued)

Wholesale Industrial Fund

	30 June 2014				30 June 2013			
	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000
Non-derivative financial liabilities								
Distributions payable to unitholders of the Scheme	729,557	729,557	-	729,557	37,700	37,700	-	37,700
Due to brokers - payable for securities purchased	2,324	2,324	-	2,324	2,145	2,145	-	2,145
Sundry creditors and accruals	2,882	2,882	-	2,882	2,688	2,688	-	2,688
Net assets attributable to unitholders	2,198,182	2,198,182	2,198,182	-	2,636,512	2,636,512	2,636,512	-
Total	2,932,945	2,932,945	2,198,182	734,763	2,679,045	2,679,045	2,636,512	42,533

Wholesale International Share Fund

	30 June 2014				30 June 2013			
	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000
Non-derivative financial liabilities								
Distributions payable to unitholders of the Scheme	1,319	1,319	-	1,319	1,962	1,962	-	1,962
Due to brokers - payable for securities purchased	105	105	-	105	39	39	-	39
Sundry creditors and accruals	209	209	-	209	276	276	-	276
Net assets attributable to unitholders	130,904	130,904	130,904	-	145,471	145,471	145,471	-
Total	132,537	132,537	130,904	1,633	147,748	147,748	145,471	2,277

Wholesale Monthly Income Fund

	30 June 2014					30 June 2013				
	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000	1-5 years \$'000	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000	1-5 years \$'000
Non-derivative financial liabilities										
Distributions payable to unitholders of the Scheme	468	468	-	468	-	427	427	-	427	-
Sundry creditors and accruals	200	200	-	200	-	383	383	-	383	-
Net assets attributable to unitholders	95,264	95,264	-	-	95,264	183,043	183,043	-	-	183,043
Total	95,932	95,932	-	668	95,264	183,853	183,853	-	810	183,043

14 Financial risk management (continued)

(c) Liquidity risk (continued)

Wholesale SHARE-PLUS Long Short Fund

	30 June 2014				30 June 2013			
	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000
Non-derivative financial liabilities								
Financial liabilities held at fair value through profit or loss	90,008	90,008	90,008	-	41,373	41,373	41,373	-
Distributions payable to unitholders of the Scheme	41,658	41,658	-	41,658	14,628	14,628	-	14,628
Due to brokers - payable for securities purchased	23,790	23,790	-	23,790	3,817	3,817	-	3,817
Sundry creditors and accruals	2,682	2,682	-	2,682	2,759	2,759	-	2,759
Net assets attributable to unitholders	459,547	459,547	459,547	-	228,744	228,744	228,744	-
Total	617,685	617,685	549,555	68,130	291,321	291,321	270,117	21,204

Wholesale Smaller Companies Fund

	30 June 2014				30 June 2013			
	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000
Non-derivative financial liabilities								
Distributions payable to unitholders of the Scheme	156,934	156,934	-	156,934	53,051	53,051	-	53,051
Due to brokers - payable for securities purchased	5,354	5,354	-	5,354	13,026	13,026	-	13,026
Sundry creditors and accruals	1,735	1,735	-	1,735	1,052	1,052	-	1,052
Net assets attributable to unitholders	726,006	726,006	726,006	-	614,416	614,416	614,416	-
Total	890,029	890,029	726,006	164,023	681,545	681,545	614,416	67,129
Derivative financial liabilities								
Options	590	590	-	590	-	-	-	-
Total	590	590	-	590	-	-	-	-

14 Financial risk management (continued)

(c) Liquidity risk (continued)

Wholesale Smaller Companies Fund No. 2

	30 June 2014				30 June 2013			
	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000
Non-derivative financial liabilities								
Distributions payable to unitholders of the Scheme	12,671	12,671	-	12,671	5,703	5,703	-	5,703
Due to brokers - payable for securities purchased	-	-	-	-	60	60	-	60
Sundry creditors and accruals	22	22	-	22	-	-	-	-
Net assets attributable to unitholders	58,530	58,530	58,530	-	55,406	55,406	55,406	-
Total	71,223	71,223	58,530	12,693	61,169	61,169	55,406	5,763

Wholesale Split Growth Fund

	30 June 2014				30 June 2013			
	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000	Carrying amount \$'000	Contractual cash flows \$'000	At call \$'000	6 months or less \$'000
Non-derivative financial liabilities								
Distributions payable to unitholders of the Scheme	2,891	2,891	-	2,891	993	993	-	993
Due to brokers - payable for securities purchased	77	77	-	77	16	16	-	16
Sundry creditors and accruals	53	53	-	53	3	3	-	3
Net assets attributable to unitholders	46,384	46,384	46,384	-	44,916	44,916	44,916	-
Total	49,405	49,405	46,384	3,021	45,928	45,928	44,916	1,012

14 Financial risk management (continued)

(d) Fair value measurement

The Schemes disclose fair value measurements 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

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and equity securities) is based on last traded prices at the end of the reporting period without any deduction for estimated future selling costs. For the majority of financial assets and liabilities, information provided by the quoted market independent pricing services is relied upon for valuation. Prior to 1 July 2013, the price used for financial assets was the current bid price and the quoted market price for financial liabilities was the current asking price. The Schemes adopted AASB 13 from 1 July 2013 and changed their fair value inputs to utilise last traded prices for both financial assets and financial liabilities.

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. An active market is a market in which transactions for the financial asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Investments in unlisted unit trusts are recorded at the redemption value per unit as reported by the investment managers of such trusts.

(ii) Fair value in an inactive or unquoted market

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. The Schemes use a variety of valuation methods and make assumptions that are based on market conditions existing at the end of each reporting period. Valuation techniques used for non-standardised financial instruments, such as options, swaps and other over-the-counter derivatives, include the use of comparable arm's length transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that is commonly used by market participants which maximises the use of market inputs and relies as little as possible on entity-specific inputs.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions. For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated by the asset managers, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

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 appropriate yield curve) and the current creditworthiness of the counterparty and the Schemes. The fair value of a forward contract is determined using quoted exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts as at the valuation date. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on applicable yield curves derived from quoted interest rates. The fair value of an option contract is determined by applying the Black-Scholes option valuation model.

Investments in unlisted unit trusts are recorded at the redemption value per unit as reported by the investment managers of such trusts.

14 Financial risk management (continued)

(d) Fair value measurement (continued)

The tables below set out the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy at 30 June 2014 and 30 June 2013:

	30 June 2014				30 June 2013			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Wholesale Australian Fund</i>								
Financial assets								
Financial assets designated at fair value through profit or loss:								
Unlisted unit trusts	1,490,046	-	-	1,490,046	1,420,465	-	-	1,420,465
Total	1,490,046	-	-	1,490,046	1,420,465	-	-	1,420,465

	30 June 2014				30 June 2013			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Wholesale Balanced Growth Fund</i>								
Financial assets								
Financial assets designated at fair value through profit or loss:								
Unlisted unit trusts	-	820,666	-	820,666	-	771,488	-	771,488
Total	-	820,666	-	820,666	-	771,488	-	771,488

	30 June 2014				30 June 2013			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Wholesale Concentrated Equity Fund</i>								
Financial assets								
Financial assets designated at fair value through profit or loss:								
Listed equities	1,034,424	-	-	1,034,424	903,021	-	-	903,021
Unlisted unit trusts	78,614	-	-	78,614	37,313	-	-	37,313
Total	1,113,038	-	-	1,113,038	940,334	-	-	940,334

14 Financial risk management (continued)

(d) Fair value measurement (continued)

The tables below set out the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy at 30 June 2014 and 30 June 2013:

	30 June 2014				30 June 2013			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Wholesale Conservative Growth Fund</i>								
Financial assets								
Financial assets held for trading:								
Futures	73	-	-	73	1,163	-	-	1,163
Foreign exchange forward contracts	-	44	-	44	-	-	-	-
Swaps	-	282	-	282	-	-	-	-
Financial assets designated at fair value through profit or loss:								
Listed equities	5,403	-	-	5,403	4,400	-	-	4,400
Fixed interest securities	-	19,891	-	19,891	2,769	-	-	2,769
Unlisted unit trusts	127,688	178,950	16,818	323,456	89,576	194,263	11,760	295,599
Total	133,164	199,167	16,818	349,149	97,908	194,263	11,760	303,931
Financial liabilities								
Financial liabilities held for trading:								
Futures	570	-	-	570	154	-	-	154
Foreign exchange forward contracts	-	7	-	7	-	502	-	502
Swaps	-	-	-	-	-	986	-	986
Total	570	7	-	577	154	1,488	-	1,642

	30 June 2014				30 June 2013			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Wholesale Diversified Growth Fund</i>								
Financial assets								
Financial assets held for trading:								
Futures	22	-	-	22	155	-	-	155
Foreign exchange forward contracts	-	31	-	31	-	-	-	-
Swaps	-	138	-	138	-	-	-	-
Financial assets designated at fair value through profit or loss:								
Listed equities	1,603	-	-	1,603	-	-	-	-
Fixed interest securities	-	7,446	-	7,446	923	-	-	923
Unlisted unit trusts	43,745	42,116	4,841	90,702	38,808	43,319	3,380	85,507
Total	45,370	49,731	4,841	99,942	39,886	43,319	3,380	86,585
Financial liabilities								
Financial liabilities held for trading:								
Futures	175	-	-	175	6	-	-	6
Foreign exchange forward contracts	-	5	-	5	-	-	-	-
Swaps	-	-	-	-	-	334	-	334
Total	175	5	-	180	6	334	-	340

14 Financial risk management (continued)

(d) Fair value measurement (continued)

The tables below set out the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy at 30 June 2014 and 30 June 2013:

	30 June 2014				30 June 2013			
	Level 1 \$ ¹	Level 2 \$ ¹	Level 3 \$ ¹	Total \$ ¹	Level 1 \$ ¹	Level 2 \$ ¹	Level 3 \$ ¹	Total \$ ¹
<i>Wholesale Dynamic Fixed Income Fund</i>								
Financial assets								
Financial assets held for trading:								
Futures	-	-	-	-	5,375	-	-	5,375
Financial assets designated at fair value through profit or loss:								
Unlisted unit trusts	-	6,025,528	-	6,025,528	-	3,398,904	-	3,398,904
Total	-	6,025,528	-	6,025,528	5,375	3,398,904	-	3,404,279
Financial liabilities								
Financial liabilities held for trading:								
Futures	-	-	-	-	963	-	-	963
Total	-	-	-	-	963	-	-	963

	30 June 2014				30 June 2013			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Wholesale Ethical SRI Fund</i>								
Financial assets								
Financial assets designated at fair value through profit or loss:								
Listed equities	761,540	-	-	761,540	546,708	-	-	546,708
Unlisted equities	-	5,067	-	5,067	-	-	-	-
Total	761,540	5,067	-	766,607	546,708	-	-	546,708

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

14 Financial risk management (continued)

(d) Fair value measurement (continued)

The tables below set out the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy at 30 June 2014 and 30 June 2013:

	30 June 2014				30 June 2013			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Wholesale Geared Australian Fund</i>								
Financial assets								
Financial assets designated at fair value through profit or loss:								
Listed equities	1,676,947	-	-	1,676,947	1,278,803	-	-	1,278,803
Total	1,676,947	-	-	1,676,947	1,278,803	-	-	1,278,803
Financial liabilities								
Financial liabilities held for trading:								
Foreign exchange forward contracts	-	-	-	-	-	410	-	410
Total	-	-	-	-	-	410	-	410

	30 June 2014				30 June 2013			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Wholesale Industrial Fund</i>								
Financial assets								
Financial assets designated at fair value through profit or loss:								
Unlisted unit trusts	2,257,605	-	-	2,257,605	2,613,827	-	-	2,613,827
Total	2,257,605	-	-	2,257,605	2,613,827	-	-	2,613,827

	30 June 2014				30 June 2013			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Wholesale International Share Fund</i>								
Financial assets								
Financial assets designated at fair value through profit or loss:								
Unlisted unit trusts	130,524	-	-	130,524	145,199	-	-	145,199
Total	130,524	-	-	130,524	145,199	-	-	145,199

14 Financial risk management (continued)

(d) Fair value measurement (continued)

The tables below set out the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy at 30 June 2014 and 30 June 2013:

	30 June 2014				30 June 2013			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Wholesale Monthly Income Fund</i>								
Financial assets								
Financial assets designated at fair value through profit or loss:								
Unlisted unit trusts	-	-	93,002	93,002	-	-	177,114	177,114
Total	-	-	93,002	93,002	-	-	177,114	177,114

	30 June 2014				30 June 2013			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Wholesale SHARE-PLUS Long Short Fund</i>								
Financial assets								
Financial assets designated at fair value through profit or loss:								
Listed equities	453,922	-	-	453,922	245,905	-	-	245,905
Unlisted equities	-	3,016	-	3,016	-	-	-	-
Total	453,922	3,016	-	456,938	245,905	-	-	245,905

Financial liabilities								
Financial liabilities designated at fair value through profit or loss:								
Listed equities sold short	90,008	-	-	90,008	41,373	-	-	41,373
Total	90,008	-	-	90,008	41,373	-	-	41,373

	30 June 2014				30 June 2013			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Wholesale Smaller Companies Fund</i>								
Financial assets								
Financial assets designated at fair value through profit or loss:								
Listed equities	844,320	-	-	844,320	626,237	-	-	626,237
Unlisted equities	-	9,731	8,142	17,873	-	-	7,895	7,895
Unlisted unit trusts	7,168	-	-	7,168	21,400	-	-	21,400
Total	851,488	9,731	8,142	869,361	647,637	-	7,895	655,532

Financial liabilities								
Financial liabilities held for trading:								
Options	590	-	-	590	-	-	-	-
Total	590	-	-	590	-	-	-	-

14 Financial risk management (continued)

(d) Fair value measurement (continued)

The tables below set out the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy at 30 June 2014 and 30 June 2013:

	30 June 2014				30 June 2013			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Wholesale Smaller Companies Fund No.2</i>								
Financial assets								
Financial assets designated at fair value through profit or loss:								
Unlisted unit trusts	58,530	-	-	58,530	56,286	-	-	56,286
Total	58,530	-	-	58,530	56,286	-	-	56,286

	30 June 2014				30 June 2013			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Wholesale Split Growth Fund</i>								
Financial assets								
Financial assets designated at fair value through profit or loss:								
Unlisted unit trusts	44,782	-	-	44,782	45,417	-	-	45,417
Total	44,782	-	-	44,782	45,417	-	-	45,417

Valuation techniques used to derive level 2 and level 3 fair values

Financial instruments classified within level 2 are traded in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs including certain market indices, interest rate, credit spreads and market yield. These investments include; investment-grade corporate bonds and certain non-US sovereign obligations, certain listed equities, certain unlisted unit trusts and over-the-counter derivatives. As level 2 investments include asset positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within level 3 include corporate debt securities, unlisted unit trusts with suspended applications and redemptions or significant investment into unquoted equity investments. The valuation technique may use significant unobservable inputs at the underlying asset level. However, the Schemes obtain fair value prices from the relevant fund managers without significant adjustments and do not calculate any unobservable inputs themselves.

The level 3 assets of the Wholesale Conservative Growth Fund, Wholesale Diversified Growth Fund and Wholesale Monthly Income Fund include holdings in Perpetual's Mezzanine Mortgage Pool Fund or Perpetual Mortgage Pool Fund. The underlying assets of these funds are mortgage loans which are carried at amortised cost with adjustments for impairment provisions. These impairment provisions are calculated using a range of data that includes unobservable inputs such as probability of default, loss given default ratios, property valuations, discount rates, market yields and estimated market profiles.

Wholesale Smaller Companies Fund obtained fair value prices for its level 3 assets from the relevant fund managers without significant adjustment and did not calculate any unobservable inputs itself.

There are no individual significant unobservable inputs into the valuation of the level 3 assets and, accordingly, a sensitivity analysis by input is not included in the notes to the accounts.

14 Financial risk management (continued)

(d) Fair value measurement (continued)

Transfers between levels

The following tables present the transfers between levels for the year ended 30 June 2014:

<i>Wholesale Conservative Growth Fund</i>	Level 1	Level 2	Level 3
	\$'000	\$'000	\$'000
Transfers between levels 2 and 3:			
Unlisted unit trusts	-	(11,114)	11,114
Unlisted unit trusts	-	6,263	(6,263)
 <i>Wholesale Diversified Growth Fund</i>	 Level 1	 Level 2	 Level 3
	\$'000	\$'000	\$'000
Transfers between levels 2 and 3:			
Unlisted unit trusts	-	(2,843)	2,843
Unlisted unit trusts	-	1,838	(1,838)

The transfer between levels was as a result of a change in the interpretation of certain securities. The nature of securities have not changed.

Apart from the above transfers between levels, for the years ended 30 June 2014 and 30 June 2013, there have been no other significant transfers between levels.

Fair value measurements using significant unobservable inputs (level 3)

The following tables present the movement in level 3 instruments for the years ended 30 June 2014 and 30 June 2013 by class of financial instrument:

	30 June 2014		30 June 2013	
	Unlisted unit trusts \$'000	Total \$'000	Unlisted unit trusts \$'000	Total \$'000
<i>Wholesale Conservative Growth Fund</i>				
Opening balance	11,760	11,760	5,236	5,236
Purchases	11,255	11,255	6,707	6,707
Sales	(10,853)	(10,853)	-	-
Transfer into level 3	11,114	11,114	-	-
Transfer out of level 3	(6,263)	(6,263)	-	-
Gains/(losses) recognised in profit and loss	(195)	(195)	(183)	(183)
Closing balance	16,818	16,818	11,760	11,760
Total gains/(losses) for the year included in the statements of comprehensive income for financial assets and liabilities held at the end of the year	(195)	(195)	(183)	(183)

14 Financial risk management (continued)

(d) Fair value measurement (continued)

The following tables present the movement in level 3 instruments for the years ended 30 June 2014 and 30 June 2013 by class of financial instrument:

	30 June 2014		30 June 2013	
	Unlisted unit trusts	Total	Unlisted unit trusts	Total
	\$'000	\$'000	\$'000	\$'000
<i>Wholesale Diversified Growth Fund</i>				
Opening balance	3,380	3,380	1,465	1,465
Purchases	3,342	3,342	1,969	1,969
Sales	(2,812)	(2,812)	-	-
Transfer into level 3	2,843	2,843	-	-
Transfer out of level 3	(1,838)	(1,838)	-	-
Gains/(losses) recognised in profit and loss	(74)	(74)	(54)	(54)
Closing balance	4,841	4,841	3,380	3,380
Total gains/(losses) for the year included in the statements of comprehensive income for financial assets and liabilities held at the end of the year	(74)	(74)	(54)	(54)

	30 June 2014		30 June 2013	
	Unlisted unit trusts	Total	Unlisted unit trusts	Total
	\$'000	\$'000	\$'000	\$'000
<i>Wholesale Monthly Income Fund</i>				
Opening balance	177,114	177,114	355,830	355,830
Sales	(81,958)	(81,958)	(174,087)	(174,087)
Gains/(losses) recognised in profit and loss	(2,154)	(2,154)	(4,629)	(4,629)
Closing balance	93,002	93,002	177,114	177,114
Total gains/(losses) for the year included in the statements of comprehensive income for financial assets and liabilities held at the end of the year	(2,154)	(2,154)	(4,629)	(4,629)

	30 June 2014		30 June 2013	
	Equities	Total	Equities	Total
	\$'000	\$'000	\$'000	\$'000
<i>Wholesale Smaller Companies Fund</i>				
Opening balance	7,895	7,895	6,080	6,080
Sales	(704)	(704)	(307)	(307)
Gains/(losses) recognised in profit and loss	951	951	2,122	2,122
Closing balance	8,142	8,142	7,895	7,895
Total gains/(losses) for the year included in the statements of comprehensive income for financial assets and liabilities held at the end of the year	951	951	2,122	2,122

15 Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet 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 balance sheet are disclosed in the first three columns of the tables below.

	Effects of offsetting on the balance sheet			Related amounts not offset		Effects of offsetting on the balance sheet			Related amounts not offset	
	Gross amounts of financial assets/ (liabilities) 30 June 2014 \$'000	Gross amounts set off in the balance sheet 30 June 2014 \$'000	Net amount of financial assets/ (liabilities) presented in the balance sheet 30 June 2014 \$'000	Amounts subject to master netting arrangements and cash collateral 30 June 2014 \$'000	Net amounts 30 June 2014 \$'000	Gross amounts of financial assets/ (liabilities) 30 June 2013 \$'000	Gross amounts set off in the balance sheet 30 June 2013 \$'000	Net amount of financial assets/ (liabilities) presented in the balance sheet 30 June 2013 \$'000	Amounts subject to master netting arrangements and cash collateral 30 June 2013 \$'000	Net amounts 30 June 2013 \$'000
Wholesale Conservative Growth Fund										
Financial assets										
Margin accounts	1,220	-	1,220	(496)	724	1,345	-	1,345	951	2,296
Derivative financial instruments	399	-	399	(81)	318	1,163	-	1,163	(1,163)	-
Total	1,619	-	1,619	(577)	1,042	2,508	-	2,508	(212)	2,296
Financial liabilities										
Margin accounts	-	-	-	-	-	(58)	-	(58)	58	-
Derivative financial instruments	(577)	-	(577)	577	-	(1,642)	-	(1,642)	154	(1,488)
Total	(577)	-	(577)	577	-	(1,700)	-	(1,700)	212	(1,488)

15 Offsetting financial assets and financial liabilities (continued)

	Effects of offsetting on the balance sheet					Effects of offsetting on the balance sheet				
	Gross amounts of financial assets/ (liabilities)		Net amount of financial assets/ (liabilities) presented in the balance sheet	Amounts subject to master netting arrangements and cash collateral	Net amounts	Gross amounts of financial assets/ (liabilities)		Net amount of financial assets/ (liabilities) presented in the balance sheet	Amounts subject to master netting arrangements and cash collateral	Net amounts
	30 June 2014	30 June 2014	30 June 2014	30 June 2014	30 June 2014	30 June 2013	30 June 2013	30 June 2013	30 June 2013	30 June 2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Wholesale Diversified Growth Fund										
Financial assets										
Margin accounts	380	-	380	(153)	227	108	-	108	149	257
Derivative financial instruments	191	-	191	(22)	169	155	-	155	(155)	-
Total	571	-	571	(175)	396	263	-	263	(6)	257
Financial liabilities										
Derivative financial instruments	(180)	-	(180)	175	(5)	(340)	-	(340)	6	(334)
Total	(180)	-	(180)	175	(5)	(340)	-	(340)	6	(334)

15 Offsetting financial assets and financial liabilities (continued)

	Effects of offsetting on the balance sheet					Effects of offsetting on the balance sheet				
	Gross amounts of financial assets/ (liabilities) 30 June 2014		Gross amounts set off in the balance sheet 30 June 2014		Net amount of financial assets/ (liabilities) presented in the balance sheet 30 June 2014	Gross amounts of financial assets/ (liabilities) 30 June 2013		Gross amounts set off in the balance sheet 30 June 2013		Net amount of financial assets/ (liabilities) presented in the balance sheet 30 June 2013
Wholesale Dynamic Fixed Income Fund										
	\$ ¹	\$ ¹	\$ ¹	\$ ¹	\$ ¹	\$ ¹	\$ ¹	\$ ¹	\$ ¹	\$ ¹
Financial assets										
Margin accounts	-	-	-	-	-	4,518	-	4,518	4,412	8,930
Derivative financial instruments	-	-	-	-	-	5,375	-	5,375	(5,375)	-
Total	-	-	-	-	-	9,893	-	9,893	(963)	8,930
Financial liabilities										
Derivative financial instruments	-	-	-	-	-	(963)	-	(963)	963	-
Total	-	-	-	-	-	(963)	-	(963)	963	-

¹ Stated to the nearest whole dollar as the scheme does not meet the criteria set out in ASIC class order 98/100.

15 Offsetting financial assets and financial liabilities (continued)

	Effects of offsetting on the balance sheet			Related amounts not offset		Effects of offsetting on the balance sheet			Related amounts not offset	
	Gross amounts of financial assets/ (liabilities) 30 June 2014 \$'000	Gross amounts set off in the balance sheet 30 June 2014 \$'000	Net amount of financial assets/ (liabilities) presented in the balance sheet 30 June 2014 \$'000	Amounts subject to master netting arrangements 30 June 2014 \$'000	Net amounts 30 June 2014 \$'000	Gross amounts of financial assets/ (liabilities) 30 June 2013 \$'000	Gross amounts set off in the balance sheet 30 June 2013 \$'000	Net amount of financial assets/ (liabilities) presented in the balance sheet 30 June 2013 \$'000	Amounts subject to master netting arrangements 30 June 2013 \$'000	Net amounts 30 June 2013 \$'000
Wholesale Geared Australian Fund										
Financial assets										
Derivative financial instruments	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Financial liabilities										
Derivative financial instruments	-	-	-	-	-	(410)	-	(410)	-	(410)
Total	-	-	-	-	-	(410)	-	(410)	-	(410)

15 Offsetting financial assets and financial liabilities (continued)

	Effects of offsetting on the balance sheet					Effects of offsetting on the balance sheet				
	Gross amounts of financial assets/ (liabilities)		Net amount of financial assets/ (liabilities) presented in the balance sheet	Amounts subject to master netting arrangements and cash collateral	Net amounts	Gross amounts of financial assets/ (liabilities)		Net amount of financial assets/ (liabilities) presented in the balance sheet	Amounts subject to master netting arrangements and cash collateral	Net amounts
	30 June 2014	30 June 2014	30 June 2014	30 June 2014	30 June 2014	30 June 2013	30 June 2013	30 June 2013	30 June 2013	30 June 2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Wholesale Smaller Companies Fund										
Financial assets										
Margin accounts	1,330	-	1,330	(590)	740	-	-	-	-	-
Total	1,330	-	1,330	(590)	740	-	-	-	-	-
Financial liabilities										
Derivative financial instruments	(590)	-	(590)	590	-	-	-	-	-	-
Total	(590)	-	(590)	590	-	-	-	-	-	-

Master netting arrangements

Agreements with derivative counterparties are based on the ISDA Master Agreements. Under the terms of these arrangements, only where certain 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 balance sheet, but have been presented separately in the above table.

16 Derivative financial instruments

In the normal course of business the Schemes enter into transactions in various derivative financial instruments which have certain risks. 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 exchange rate, index of prices or rates, credit rating or credit index or other variable.

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

Derivative transactions include many different instruments, such as foreign exchange 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 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) Options

An option is a contractual arrangement under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of securities or a financial instrument at a predetermined price. The seller receives a premium from the purchaser in consideration for the assumption of future securities price risk.

(c) Foreign exchange forward contracts

Foreign exchange forward contracts are primarily used by the Schemes to hedge against foreign currency exchange rate risks on its non-Australian dollar denominated trading securities. The Schemes agree to receive or deliver a fixed quantity of foreign currency for an agreed upon price on an agreed future date. Foreign exchange forward contracts are valued at the prevailing bid price at the end of each reporting period. The Schemes recognise a gain or loss equal to the change in fair value at the end of each reporting period.

(d) Swaps

Total return swaps are valued at fair value in which payments made by the Schemes or the counterparty are based on the total return of a particular reference asset or assets (such as an equity or fixed income security, a combination of such securities, or an index). The value of the Schemes' swap positions would increase or decrease depending on the changes in value of the underlying rates, currency values, volatility or other indices or measures.

17 Investment in unconsolidated subsidiaries

The Schemes have applied the investment entity exemption and accordingly the following subsidiaries are recorded at fair value within financial assets held at fair value through profit or loss.

<i>Wholesale Australian Fund</i>	Fair value as at 30 June 2014 \$'000	Fair value as at 30 June 2013 \$'000	Ownership interest as at 30 June 2014 %	Ownership interest as at 30 June 2013 %
Subsidiary Perpetual Australian Share Fund	1,490,046	1,420,465	83.4	79.9
<i>Wholesale Balanced Growth Fund</i>	Fair value as at 30 June 2014 \$'000	Fair value as at 30 June 2013 \$'000	Ownership interest as at 30 June 2014 %	Ownership interest as at 30 June 2013 %
Subsidiary Perpetual Balanced Growth Fund No.2	820,666	771,488	70.3	69.7
<i>Wholesale Industrial Fund</i>	Fair value as at 30 June 2014 \$'000	Fair value as at 30 June 2013 \$'000	Ownership interest as at 30 June 2014 %	Ownership interest as at 30 June 2013 %
Subsidiary Perpetual Industrial Share Fund	2,257,605	2,613,827	66.2	64.8
<i>Wholesale Monthly Income Fund</i>	Fair value as at 30 June 2014 \$'000	Fair value as at 30 June 2013 \$'000	Ownership interest as at 30 June 2014 %	Ownership interest as at 30 June 2013 %
Subsidiaries Perpetual Liquidity Pool Fund	14,477	29,867	56.2	56.2
Perpetual Mortgage Pool Fund	78,525	147,247	51.8	51.8

The above subsidiaries are incorporated in Australia.

17 Investment in unconsolidated subsidiaries (continued)

As at 30 June 2014, the subsidiary of the Wholesale Balanced Growth Fund controlled the following schemes which are incorporated in Australia:

	Fair value as at 30 June 2014 \$'000	Fair value as at 30 June 2013 \$'000	Ownership interest as at 30 June 2014 %	Ownership interest as at 30 June 2013 %
Perpetual Diversified Real Return Fund	104,300	87,465	75.6	78.5
Perpetual Dynamic Global Property Fund	36,436	-	74.1	-
Perpetual Economic Diversification Global Equity Fund	128,278	107,224	85.8	83.4
Perpetual Pure Credit Alpha Fund	37,695	24,460	55.7	61.5
Perpetual Smart Beta Emerging Market Equities Fund	60,387	-	70.4	-
Perpetual's Mezzanine Mortgage Pool Fund	9,638	30,630	62.2	62.3

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

There are no significant restrictions on the ability of the unconsolidated subsidiaries to transfer funds to the Schemes in the form of cash distributions.

18 Involvement with unconsolidated structured entities

The following structured entities are recorded at fair value within financial assets held at fair value through profit or loss:

	Fair value as at 30 June 2014 \$'000	Exposure 30 June 2014 %	Maximum exposure to loss 30 June 2014 \$'000
<i>Wholesale Concentrated Equity Fund</i>			
Type of structured entities			
Unlisted unit trusts	78,614	7.1	78,614

18 Involvement with unconsolidated structure entities (continued)

The following structured entities are recorded at fair value within financial assets held at fair value through profit or loss:

	Fair value as at 30 June 2014 \$'000	Exposure 30 June 2014 %	Maximum exposure to loss 30 June 2014 \$'000
<i>Wholesale Conservative Growth Fund</i>			
Type of structured entities			
Unlisted unit trusts	323,456	92.8	323,456
<i>Wholesale Diversified Growth Fund</i>			
Type of structured entities			
Unlisted unit trusts	90,702	91.0	90,702
<i>Wholesale Dynamic Fixed Income Fund</i>			
Type of structured entities			
Unlisted unit trusts	6,025,528	100.0	6,025,528
<i>Wholesale International Share Fund</i>			
Type of structured entities			
Unlisted unit trusts	130,524	100.0	130,524

¹ Stated to the nearest whole dollar as the Scheme does not meet the criteria set out in ASIC class order 98/100

18 Involvement with unconsolidated structure entities (continued)

The following structured entities are recorded at fair value within financial assets held at fair value through profit or loss:

<i>Wholesale Smaller Companies Fund</i>	Fair value as at 30 June 2014 \$'000	Exposure 30 June 2014 %	Maximum exposure to loss 30 June 2014 \$'000
Type of structured entities			
Unlisted unit trusts	7,168	0.8	7,168

<i>Wholesale Smaller Companies Fund No.2</i>	Fair value as at 30 June 2014 \$'000	Exposure 30 June 2014 %	Maximum exposure to loss 30 June 2014 \$'000
Type of structured entities			
Unlisted unit trusts	58,530	100.0	58,530

<i>Wholesale Split Growth Fund</i>	Fair value as at 30 June 2014 \$'000	Exposure 30 June 2014 %	Maximum exposure to loss 30 June 2014 \$'000
Type of structured entities			
Unlisted unit trusts	44,782	100.0	44,782

The fair value of the exposure will change on a daily basis throughout the period and in subsequent periods and will cease once the investments are disposed of.

The unconsolidated structured entities are managed in accordance with the investment strategies with the respective investment managers. The investment decisions are based on the analysis conducted by the investment managers. The return of the unconsolidated structured entities is exposed to the variability of the performance of the investment strategies. The investment managers receive a management fee for undertaking the management of these

19 Events occurring after the reporting period

No significant events have occurred since the balance sheet date which would impact on the financial position of the Schemes disclosed in the balance sheets as at 30 June 2014 or on the results and cash flows of the Schemes for the year ended on that date.

20 Contingent assets, liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2014 and 30 June 2013.

Directors' declaration

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

- (a) the annual financial statements and notes, set out on pages 8 to 96, are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), and the *Corporations Regulations 2001*; and
 - (ii) giving a true and fair view of the Schemes' financial positions as at 30 June 2014 and of their performance 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) the financial report also complies with International Financial Reporting Standards as discussed in note 2(a).

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



Director

Sydney
24 September 2014



Independent auditor's report to the unitholders of Perpetual Wholesale Funds

Report on the financial report

We have audited the accompanying financial report of Perpetual Wholesale Funds (the Schemes), which comprises the balance sheets as at 30 June 2014, and the statements of comprehensive income, statements of changes in equity and cash flow statements for the year ended on that date, notes 1 to 20 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' responsibility for the financial report

The directors of Perpetual Investment Management Limited (the Responsible Entity) are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In note 2(a), the directors also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the Schemes' financial positions and of their performance.



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

Independence

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

Auditor's opinion

In our opinion:

(a) the financial report of Perpetual Wholesale Funds is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Schemes' financial positions as at 30 June 2014 and of their performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

(b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2(a).

KPMG

KPMG

Michael O Connell

Partner

Sydney

24 September 2014



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