



**GOLDEN AGE MACQUARIE
PARK DEVELOPMENT FUND**

ABN 89 483 446 900

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2018

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

TRUSTEE REPORT FOR THE YEAR ENDED 30 JUNE 2018

The Directors of the Trustee, Vasco Investment Managers Limited, present their report on the Golden Age Macquarie Park Development Fund ('the Fund') for the year ended 30 June 2018.

1. Directors

The names of Directors of the Trustee in office at any time during the financial year are:

Craig Mathew Dunstan (appointed 6 August 2009)

Fiona Jean Dunstan (appointed 6 August 2009)

Stephen George Hawkins (appointed 10 May 2010)

Jonathan William Martin (appointed 6 August 2009)

The Directors have been in office since the establishment of the Fund to the date of this report unless otherwise stated.

2. Principal Activities

The principal activities of the Fund are to produce fixed income returns for Investors by making loans to Golden Age Macquarie Park Development Pty Ltd to be used to finance the Macquarie Park development in Sydney.

The Fund was established on 22 September 2015, changed its name to Golden Age Macquarie Park Development Fund on 15 June 2016 and issued the first units on the commencement date of 6 September 2016.

3. Operating Results

The operating profit of the Fund for the financial year ending 30 June 2018 was \$9,793,961. (2017: \$0). All surplus profits after distribution and expense are payable to the Investment Manager as a performance fee. Any deficit funds will be recovered prior to a performance fee being paid.

4. Review of Performance

It is anticipated that unitholders will receive the interest return detailed in the Term Sheet related to the unit class in which they have invested.

5. Unit Redemption Prices

Unit redemption prices (quoted ex-distribution and exclusive of exit fees) are shown as follows:

	2018	2017
	\$	\$
As at 30 June	1.00	1.00
High during year	1.00	1.00
Low during year	1.00	1.00

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

TRUSTEE REPORT FOR THE YEAR ENDED 30 JUNE 2018

6. Review of Operations

During the period since inception the Fund issued 68,829,902 units. Of these, 13,070,500 have been redeemed. As at 30 June 2018 the Fund has 55,759,402 units on issue.

The Fund closed to new applications on 9 December 2016. A Supplementary Information Memorandum was issued on 3 August 2017 to open the Fund to new investors to fund withdrawal requests to the value of US\$11,570,000 and AU\$1,000,000 received during the same month. These requests were processed during September 2017 and October 2017 following receipt of new applications.

The Fund in accordance with the Loan Facility Agreement dated 6 September 2016 issued a loan to Macquarie Park Development Pty Ltd of US\$52,200,000 and AU\$3,850,000. In accordance with the Loan Facility Agreement 15% per annum was accrued for both USD and AUD investments.

As per the instructions from Investment Manager of the Fund, the Deed of Amendment and Restatement was executed on 9 February 2018 between Macquarie Park Development Pty Ltd and Vasco Investment Managers Limited ATF Golden Age Macquarie Park Development Fund. As per the new terms an annual interest rate of 8% and a bullet interest rate of 7.5% is receivable at the maturity of the loan. The terms within the Deed of Amendment and Restatement apply from the first utilisation drawdown. The first loan was made on 15 September 2016. The investment has a potential term of 5 years. The financials have been adjusted to reflect the new interest rates and repayment dates after the execution of the Deed of Amendment and Restatement.

As at 30 June 2018 the total loan to Golden Age Macquarie Park Development Pty Ltd was US\$52,200,000 and AU\$3,850,000. Interest of AU\$255,682 and US\$3,466,652 has been accrued at the annual return rate of 8%. A bullet interest rate of 7.5% per annum is receivable at the maturity of the loan. Amounts of AU\$239,702 and US\$3,249,986 have been accrued.

The AUD/USD exchange rate utilised for this report is \$0.7404.

7. Distributions Paid or Recommended

In accordance with the Information Memorandum of the Fund, distributions are calculated daily, accrued monthly and are payable on an annual basis as at 1 September each year.

The next distribution will be payable as at 1 September 2018 and payable within 30 days in accordance with the Trust Deed. Returns payable to investors are expected to be paid in accordance with the respective term sheets issued for each unit class.

The following distributions have been paid for the period to 30 June 2018:

Period	Distribution Payable
As at 1 September 2017	AU\$297,155 & US\$3,454,548

8. Applications Held

At 30 June 2018, the value of pending applications was \$0.

9. Redemption Arrangements

Redemptions, subject to available liquidity, are available in September each year.

As detailed in the Fund's Constitution the Trustee is not under any obligation to buy back, purchase or redeem units from unitholders.

The Fund closed to new applications on 9 December 2016 and was reopened during August 2017 to fund withdrawal requests to the value of US\$11,570,500 and AU\$1,000,000 received during the same month. These requests were processed during September 2017 and October 2017 following receipt of new applications.

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

TRUSTEE REPORT FOR THE YEAR ENDED 30 JUNE 2018

10. Options

No options over issued units or interests in the Fund were granted during or since the end of the financial year and there were no options outstanding at the date of this report. The directors and executives of the Trustee hold no options over interests in the Fund.

11. Proceedings on Behalf of the Fund

No person has applied for leave of court to bring proceedings on behalf of the Fund or intervene in any proceedings to which the Fund is a party for the purpose of taking responsibility on behalf of the Fund for all or any part of their proceedings. The Fund was not a party to any such proceedings during the period.

12. Value of Scheme Assets

The Gross Asset Value of the Fund's assets at the end of the reporting period was \$84,331,392 (2017: \$71,872,703). The Net Asset Value at the end of the reporting period was \$73,875,794. (2017: \$72,007,824).

13. Significant Changes in State of Affairs

Apart from those matters referred to in the previous sections of this Report, there have been no other significant changes to the state of affairs of the Fund during the financial year.

14. After Balance Date Events

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Fund, the results of those operations, or the state of affairs of the Fund in future financial years other than as disclosed in this report.

15. Future Developments

There are no future developments to report on which are not otherwise disclosed in this report.

16. Indemnifying Officers or Auditor

During or since the end of the financial year, the Trustee has paid insurance premiums to insure each of the aforementioned directors as well as officers of the Trustee against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of the Trustee, other than conduct involving a willful breach of duty in relation to the Trustee.

The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Trustee has not otherwise, during or since the end of the financial year indemnified or agreed to indemnify an officer or auditor of the Trustee or of any related body corporate against a liability incurred as such an officer or auditor.

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

TRUSTEE REPORT FOR THE YEAR ENDED 30 JUNE 2018

17. Fees, Commissions or Other Charges by the Trustee, Investment Manager or Related Parties

Fees of \$77,494 (plus GST) were accrued and paid by the Fund to Trustee for the period. In addition fees of \$62,573 (plus GST) were accrued and paid by the Fund to the Administration Manager.

18. Units held by the Trustee, Investment Manager or Related Parties

As at 30 June 2018, the Trustee or Investment Manager and their related parties held no units in the Fund.

19. Interests Issued in the Fund

During the financial year 12,450,002 units were issued in the Fund. None of the units were issued arising from distribution reinvestment.

20. Number of Interests on Issue

As at 30 June 2018, the number of units on issue in the Fund was 55,759,402. (2017: 56,379,900).

21. Rounding of Amounts

The Fund is of a kind referred to in the *Australian Securities and Investments Commission's Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191*. Consequently, amounts in the financial statements have been rounded to the nearest dollar in accordance with that legislative instrument, or in certain cases, the nearest thousand dollars.

22. Environmental Regulation

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

Signed in accordance with a resolution of the Board of Directors of Vasco Investment Managers Limited by:



Craig Mathew Dunstan

Director

Date: 24 September 2018

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 \$	2017 \$
Revenue and other income			
Bank interest	2 (b)	2,646	5,130
Loan interest income	3 (a)	19,051,287	-
Realised gain on foreign exchange		31,282	-
Total revenue and other income		19,085,215	5,130
Expenses			
Performance fees	7	5,759,179	(147,928)
Trustee fees	8	77,494	56,984
Administration fees	8	62,573	49,777
Other administration expenses	9	30,674	46,297
Application fees		3,361,334	-
Total expenses		9,291,254	5,130
Operating profit/(loss) before finance costs attributable to unitholders		9,793,961	0
Finance costs attributable to unitholders			
Distributions paid to unitholders		4,962,941	-
Distributions payable to unitholders		4,831,020	-
		9,793,961	
Total comprehensive income		0	0

The accompanying notes form part of these financial statements

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018**

	Notes	2018 \$	2017 \$
Current assets			
Cash and cash equivalents	2 (a)	411,928	206,716
Accrued investment income	3 (a)	4,937,816	-
Sundry debtors	2 (c)	14	-
Total current assets		5,349,758	206,716
Non-current assets			
Investment assets	3 (b)	74,352,431	71,665,987
Accrued investment income	3 (a)	4,629,203	-
Total non-current assets		78,981,634	71,665,987
Total assets		84,331,392	71,872,703
Liabilities			
Fees payable	4	5,623,486	(136,183)
Administration expenses payable	5	1,092	1,062
Distributions payable		4,831,020	-
Total liabilities		10,455,598	(135,121)
Net assets		73,875,794	72,007,824
Represented by:			
Issued units	6 (a)	73,875,794	72,007,824
Undistributed profit/(loss) attributable to unitholders	6 (b)	-	-
Net assets attributable to unitholders		73,875,794	72,007,824

The accompanying notes form part of these financial statements

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018**

	Notes	2018 \$	2017 \$
Cash flows from operating activities			
Bank interest		2,646	5,130
Fees paid		(139,577)	(96,529)
Establishment costs		(4,500)	(26,675)
Tax paid		-	(9,074)
Other expenses		(26,144)	(8,973)
Interest income received		9,484,268	-
Distributions paid		(4,962,941)	-
Foreign exchange gain		31,282	-
Applications fee paid		(3,361,334)	-
Sundry debtors		(14)	-
Net cash provided by/(used in) operating activities	10 (a)	<u>1,023,686</u>	<u>(135,121)</u>
Cash flows from investing activities			
Payment for investment assets	10 (b)	(2,686,444)	(71,665,987)
Net cash provided by/ (used in) investing activities		<u>(2,686,444)</u>	<u>(71,665,987)</u>
Cash flows from financing activities			
Proceeds from units issue		12,450,002	72,007,824
Payment for units redeemed		(13,070,500)	-
Appreciation in value of units (USD to AUD)	10 (b)	2,488,468	-
Net cash provided by/ (used in) financing activities		<u>1,867,970</u>	<u>72,007,824</u>
Net increase/ (decrease) in cash and cash equivalents		205,212	206,716
Cash and cash equivalents at the beginning of year		206,716	-
Cash and cash equivalents at the end of year	2 (a)	<u><u>411,928</u></u>	<u><u>206,716</u></u>

The accompanying notes form part of these financial statements

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018**

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

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The financial report is for the entity Golden Age Macquarie Park Development Fund ('the Fund') as an individual entity. The Fund is an unregistered managed investment scheme established and domiciled in Australia. The Trustee of the Fund is Vasco Investment Managers Limited, and Golden Age Capital Pty Ltd is appointed as the Investment Manager of the Fund.

Financial Reporting Framework

The Fund is not a reporting entity, because in the opinion of the directors of the Trustee, there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored, so as to specifically satisfy all of their information needs. Accordingly, this special purpose financial report has been prepared to satisfy the directors of the Trustee's reporting requirements under *Corporations Act 2001*.

Basis of Preparation

The financial report is a special purpose financial report that has been prepared in accordance with the recognition and measurement requirements of all Australian Accounting Standards (including Australian Accounting Interpretations), and the disclosure requirements of *AASB 101: Presentation of Financial Statements*, *AASB 107: Statement of cash flows* and *AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors*, the *Corporations Act 2001 (Cth)* and the Fund's Constitution.

The functional currency of the Fund is AUD and USD; however the presentation currency of the Fund is AUD.

Significant Accounting Policies

(a) Financial instruments

Financial assets and financial liabilities are recognised on the Fund's Statement of Financial Position when the Fund becomes a party to the contractual provisions of the instrument.

(i) Measurement

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

Under this approach, financial assets and financial liabilities are generally measured initially at fair value excluding any transaction costs that are directly attributable to acquisition.

Subsequent to initial recognition, all financial instruments are measured at fair value with changes in their fair value recognized in the statement of comprehensive income.

Fair value in an active market

The fair value of financial asset and liabilities traded in active markets are based on their quoted market prices at the reporting date without any deduction for estimate future selling costs. Financial assets are priced at current bid prices on the reporting date, while financial liabilities are priced at current offer prices.

Fair value in an inactive or unquoted market

The fair values of financial assets and liabilities that are not traded in an active market are determined through the valuation policy identified in the Information Memorandum for the Fund

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Financial instruments (continued)

(ii) Categorisation

The Fund's investments are categorised as follows:

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Financial liabilities and equity

Financial liabilities and equity instruments issued by the Fund are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. The accounting policies adopted for specific financial liabilities and equity instruments are set out below:

Issued units

The Fund issues units which have a limited life under the Fund's Constitution and are classified as equity in accordance with *AASB 132 Financial Instruments: Presentation* as amended by *AASB 2008-2 Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations Arising on Liquidation*.

Should the terms or conditions of the units change such that they no longer comply with the criteria for classification as equity in the revised *AASB 132*, the units would be reclassified to a financial liability from the date the instrument ceases to meet the criteria. The financial liability would be measured at the instrument's fair value at the date of reclassification. Any difference between the carrying amount of the equity instrument and the fair value of the liability at the date of reclassification would be recognised in equity.

Where the Fund buys back any of its units from unitholders, the consideration paid, including any directly attributable incremental costs are recognised as a reduction in equity attributable to the Fund's unitholders.

(b) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST, and accruals are shown exclusive of GST.

(c) Income tax

Under current legislation, the Fund is not liable for income tax provided its taxable income is fully distributed to unitholders.

(d) Critical judgements and significant accounting estimates

The preparation of financial statements requires the directors of the Trustee to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Comparatives

As the Golden Age Macquarie Park Development Fund commenced operations last financial year, there are comparative numbers for the year ending 30 June 2017.

(f) Foreign Exchange

Items included in the financial records are measured using the currency of the primary economic environment in which the entity operates (functional currency). The financial statements are presented in Australian dollars, which is the presentation currency of the Fund.

The financial position and performance of foreign operations with a functional currency other than Australian dollars are translated into the presentation currency, using the exchange rate prevailing at the date of the report from ANZ Bank (US\$1 equals AU\$0.7404). The assets, liabilities and equity items are translated using reporting date exchange rates.

(g) New accounting standards and interpretations

A number of new accounting standards and interpretation have been published, and are mandatory for at least part of the 30 June 2018 reporting period, having come into effect on the 1 January 2018:

- (i) AASB 9 *Financial Instruments*
- (ii) AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9*
- (iii) AASB 2013-9 *Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments - Part C*
- (iv) AASB 2014-1 *Amendments to Accounting Standards*

Broadly, these new standards require all financial instruments to measured at fair value unless the criteria for amortised cost are met.

The introduction of the standard is not expected to change the measurement basis of any of the Fund's current financial instruments.

- (v) AASB 15: *Revenue from contracts with customers*

Broadly, this new standard relates to the recognition of revenue from contracts for goods and services, including construction contracts.

While this standard does not relate to a significant portion of the Fund's holdings, to the extent that it does apply, it is not expected to change the measurement basis of any of the Fund's current financial instruments, or the valuation of the Fund's assets.

There are no other pending standards that are relevant to the Fund in the current or future reporting periods as at the issue date of this report.

NOTE 2: CASH AND CASH EQUIVALENTS

(a) Cash at bank

	2018	2017
	\$	\$
Macquarie Bank	15,221	155,584
ANZ Bank	396,707	51,132
	<u>411,928</u>	<u>206,716</u>

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

(b) Bank interest income

Cash on deposit is held in a Macquarie Bank cash management account (AUD) and ANZ Banking Group foreign currency account (USD). The interest rate paid by Macquarie to 31 December 2017 was 1.40%. From 1 January 2018 to current the interest rate has been 1.30% pa paid monthly on balances greater than \$5,000. The Fund has been able to obtain a higher return from Macquarie, amounting to an extra 0.25% pa. ANZ Bank does not pay interest on USD accounts.

(c) Sundry debtor

This is the underpayment of interest income received in USD account. This account will be settled upon the receipt of the payment.

NOTE 3: INVESTMENT ASSETS

(a) Investment income

As at 30 June 2018 interest of AU\$255,682 and US\$3,466,652 has been accrued at the annual return rate of 8%. A bullet interest rate of 7.5% per annum is receivable at the maturity of the loan, AU\$239,702 and US\$3,249,986 have been accrued.

The interest on loans is calculated from the utilisation drawdown dates to the 31 August 2017 then annually thereafter. The first interest payment under the Deed of Amendment and Restatement was due on 20 August 2018.

(b) Investment held

As at 30 June 2018, the total loan to Golden Age Macquarie Park Development Pty Ltd was US\$52,200,000 and AU\$3,850,000. The investment has a potential term of 5 years.

NOTE 4: FEES PAYABLE

	2018	2017
	\$	\$
Trustee fees payable	7,027	6,600
Administration fees payable	5,238	5,145
Performance fees payable	5,611,221	(147,928)
	<u>5,623,486</u>	<u>(136,183)</u>

NOTE 5: ADMINISTRATION EXPENSES PAYABLE

	2018	2017
	\$	\$
Administration expenses payable	-	31
GST payable/(receivable)	(3,490)	(3,498)
Provision for tax return fees	3,050	3,050
Other accrued fees	1,532	1,479
	<u>1,092</u>	<u>1,062</u>

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 6: NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

(a) Issued units

	2018	2017
	\$	\$
Opening balance	72,007,824	-
Redemptions	(13,070,500)	-
Units issued – applications	12,450,002	56,379,900
Appreciation in Valuation of Units (USD to AUD)	2,488,468	15,627,924
Closing balance	<u>73,875,794</u>	<u>72,007,824</u>

As stipulated in the Fund's Constitution, each unit represents a right to an individual unit in the Fund and does not extend to a right to the underlying assets of the Fund. The Fund has six different unit classes with differing currencies.

(b) Undistributed profit/(loss) attributable to unitholders

	2018	2017
	\$	\$
Opening balance	-	-
Operating profit/(loss) before finance costs attributable to unitholders	9,793,961	-
Distributions paid	(4,962,941)	-
Distributions payable	(4,831,020)	-
Closing balance	<u>0</u>	<u>0</u>

Withholding taxes applicable to the distributions paid during the 2018 financial year were AU\$27,614 & US\$342,817.

Total distributions paid for the financial year were AU\$297,155 & US\$3,454,548.

(c) Capital management

The Fund regards total unitholders' interests as its capital. The objective of the Fund is to provide unitholders with income distributions. The Fund aims to achieve this objective mainly through investing in a portfolio of real estate related investments in the Australian market. The Fund aims to invest to meet the Fund's investment objectives while maintaining sufficient liquidity to meet its commitments, including unitholder redemptions. The Trustee regularly reviews the performance of the Fund, including asset allocation strategies, investment and risk management.

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 7: PERFORMANCE FEES

In accordance with the Information Memorandum of the Fund, the Investment Manager is entitled to a performance fee equivalent to all surplus funds generated by the Fund after all fees, expenses, returns of capital and distributions are paid by the Fund. The performance fee is calculated and payable to Golden Age Capital Pty Ltd as Investment Manager of the Fund.

All deficit performance fees will be recovered prior to any payment to the Investment Manager. As the recovery will be through interest income, the deficit performance fee is effectively prepaid interest as it reflects the amount not recoverable by the Investment Manager from future interest income received of the same amount.

NOTE 8: TRUSTEE AND ADMINISTRATION FEES

In accordance with the Information Memorandum, Vasco Investment Managers Limited as the Trustee of the Fund is entitled to an annual fee of 0.1% (plus GST) of the gross asset value of the Fund, paid monthly in arrears, subject to a minimum fee of \$25,000 (plus GST). The Trustee was paid an establishment fee of \$6,500 (plus GST).

Vasco Funds Management Pty Ltd as the Administration Manager of the Fund is entitled an annual Administration Fee of up to \$65,000 (plus GST) increasing in line with the CPI. A CPI increase of 1.8% was applied from 1 October 2017.

NOTE 9: OTHER ADMINISTRATION EXPENSES

	2018	2017
	\$	\$
Tax return fees	3,050	3,050
Establishment costs	4,500	26,675
Legal fees	6,820	1,257
Bank fees	735	766
Other administration expenses	9,448	8,974
GST expense (non-claimable)	6,121	5,575
	<u>30,674</u>	<u>46,297</u>

NOTE 10: CASH FLOW INFORMATION

(a) Reconciliation of cash flows from operating activities with profit/ (loss) for the year

	2018	2017
	\$	\$
Profit/(loss) for the year	-	-
Changes in assets and liabilities:		
(Increase)/decrease in receivables	(9,567,033)	-
Increase/ (decrease) in payables	10,590,719	(135,121)
Cash flows from operating activities	<u>1,023,686</u>	<u>(135,121)</u>

(b) Change in the Value of Investment and Units Issued

Change in the value of units and the value of Investment is the result of fluctuation in the exchange rate during the financial year 2018.

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 11: RELATED PARTY TRANSACTIONS

(a) Trustee

The Trustee of the Golden Age Macquarie Park Development Fund is Vasco Investment Managers Limited.

Fees of \$77,494 (plus GST) were accrued and paid by the Fund to Vasco Investment Managers Limited for its role as Trustee for the period, of which \$4,262 is claimable by the Fund as RITC.

(b) Investment Manager

The Investment Manager of the Golden Age Macquarie Park Development Fund is Golden Age Capital Pty Ltd.

The Fund in accordance with the Loan Facility Agreement dated 6 September 2016 issued a loan to Macquarie Park Development Pty Ltd of US\$52,200,000 and AU\$3,850,000. In accordance with the Loan Facility Agreement 15% per annum was accrued for both USD and AUD investments. The Borrower is a related party of the Investment Manager.

As at 30 June 2018, a deficit of \$5,611,221 (GST inclusive) has been accrued as performance fees. Any deficit funds will be recovered prior to a performance fee being paid to the Investment Manager. The Fund paid \$3,361,334 (GST inclusive) in application fees to the Investment Manager during the year.

(c) Administration Manager

The Administration Manager of the Golden Age Macquarie Park Development Fund is Vasco Fund Management Pty Ltd. The Administration Manager is a related party of the Trustee.

Administration fees of \$62,573 (plus GST) were accrued and paid by the Fund to Vasco Funds Management Pty Ltd for its role as Administration Manager of the Fund, of which \$4,692 is claimable by the Fund as RITC.

(d) Key management personnel

The Fund does not employ personnel in its own right. However, it has an incorporated Trustee, Vasco Investment Managers Limited and an Investment Manager, Golden Age Capital Pty Ltd to manage the activities of the Fund. The directors of the Trustee and Investment Manager are key management personnel of those corporate entities. No compensation is paid directly by the Fund to directors or to any of the key management personnel of the Trustee or Investment Manager. Payments made by the Fund to the Trustee and Investment Manager do not specifically include any amounts attributable to the compensation of key management personnel.

NOTE 12: REMUNERATION OF AUDITORS

For the period ended 30 June 2018 the accounts of the Fund were not subject to audit and accordingly no audit fees were paid.

NOTE 13: CONTINGENT LIABILITIES

There are no contingent liabilities at the end of the period.

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 14: EVENTS SUBSEQUENT TO REPORTING DATE

As at the date of this report, there have been no other events subsequent to the reporting date that require additional disclosure.

NOTE 15: FINANCIAL RISK MANAGEMENT

(a) Liquidity Risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund holds investments in construction loans which are not considered to be assets that are readily realisable.

In order to address this risk, the Trustee retains broad discretion to restrict distributions, withdrawals and/or redemptions.

(b) Foreign Exchange Risk

The Fund is exposed to foreign exchange risk as a result of investments in financial instruments denominated in foreign currencies. As a result, fluctuations in the value of the Australian dollar and foreign currencies can affect the Fund's returns. This is because losses or gains must be converted back to Australian dollars. Foreign exchange risk remains unhedged.

(c) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Fund. The Fund is exposed to this risk for various financial instruments, for example, placing money at financial institutions or interest revenue that is paid in arrears. The Fund's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at the reporting date.

The Investment Manager manages the exposure to credit risk on an ongoing basis.

NOTE 16: TRUSTEE DETAILS

The registered office and the principal place of business of the Trustee are:

Vasco Investment Managers Limited

Level 5

488 Bourke Street

Melbourne Victoria 3000

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

DIRECTORS' DECLARATION

The directors of Vasco Investment Managers Limited, the Trustee, have determined that the Fund is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of Vasco Investment Managers Limited, the Trustee, declare that:

1. The financial statements, comprising the statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards as described in Note 1 to the financial statements and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the Fund's financial position as at 30 June 2018 and of its performance for the period ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors of Vasco Investment Managers Limited by:



Craig Mathew Dunstan

Director

24 September 2018