



**GOLDEN AGE MACQUARIE
PARK DEVELOPMENT FUND**

ABN 89 483 446 900

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2017

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

TRUSTEE REPORT FOR THE YEAR ENDED 30 JUNE 2017

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 2017.

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 and changed its name to Golden Age Macquarie Park Development Fund on 15 June 2016. As the Fund commenced operations this financial year, there is no comparative information.

3. Operating Results

The Net Operating Profit of the Fund for the financial year ending 30 June 2017 was \$0. All surplus profits are payable to the Investment Manager as a performance fee. Any deficit funds will be recovered prior to a performance fee being paid.

4. Distributions Paid or Recommended

Distributions are payable on an annual basis on 1 September. The first distribution will be due on 1 September 2017. Returns payable to investors are expected to be paid in accordance with the respective term sheets issued for each unit class.

5. Review of Operations

During the period since inception the Fund issued 56,379,900 units.

Unit Class	Unitholder Number	Currency	Units Allocated	Value of Units
JPA	63	USD	13,890,000	\$13,890,000
JPB	38	USD	17,299,900	\$17,299,900
JPC	14	USD	21,050,000	\$21,050,000
Total USD	115		52,239,900	\$52,239,900
JPD	1	AUD	340,000	\$340,000
JPE	2	AUD	800,000	\$800,000
JPF	2	AUD	3,000,000	\$3,000,000
Total AUD	5		4,140,000	\$4,140,000
Total	120		56,379,900	

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

TRUSTEE REPORT FOR THE YEAR ENDED 30 JUNE 2017

Redemptions, subject to available liquidity, are available in September of each year. The Fund closed to new applications on 9 December 2016.

6. 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.

7. After Balance Date Events

A Supplementary IM was issued on 3 August 2017 to open the Fund to new investors. The money raised from these new investors will go towards funding the redemptions of investors seeking to avail themselves of the redemption opportunity as detailed in the Information Memorandum for the Fund.

No matters or circumstance 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.

8. Future Developments

There are no future developments to report on.

9. Environmental Issues

The Fund complied with all environmental regulations during the course of the financial year.

10. 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.

11. 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.

12. 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.

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

TRUSTEE REPORT FOR THE YEAR ENDED 30 JUNE 2017

13. Fees, Commissions or other charges by the Trustee or Related Parties of the Trustee

Fees of \$56,984 (plus GST) were accrued and paid by the Fund to Trustee for the period. In addition fees of \$49,777 (plus GST) were accrued and paid by the Fund to the Administration Manager.

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

At 30 June 2017, the Trustee and its related parties held no units in the Fund.

15. Interests Issued in the Fund

During the financial year 56,379,900 units were issued.

16. Buy Back Arrangements

As detailed in the Fund Constitution the Trustee is not under any obligation to buy back, purchase or redeem units from unitholders. Consequently, no units were redeemed by the Trustee during the reporting period.

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

17. Value of Scheme Assets

The Gross Asset Value of the Fund's assets at the end of the reporting period was \$71,872,703.

18. Number of Interests on Issue

At 30 June 2017, the number of units issued in the Fund was 56,379,900.

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



Craig Mathew Dunstan

Director

Date: 20 September 2017

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 \$	2016 \$
Revenue and other income			
Bank interest	2 (b)	4,389	-
Bank commission rebate	2 (b)	741	-
Loan interest income	3 (a)	-	-
Total revenue and other income		5,130	0
Expenses			
Administration expenses			
Performance fees	7	(147,928)	-
Trustee fees	8	56,984	-
Administration fees	8	49,777	-
Other administration expenses	9	46,297	-
Total expenses		5,130	0
Operating profit/(loss) before finance costs attributable to unitholders		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 2017**

	Notes	2017 \$	2016 \$
Current assets			
Cash and cash equivalents	2 (a)	206,716	-
Accrued investment income	3 (a)	-	-
Total current assets		206,716	0
Non-current assets			
Investment assets	3 (b)	71,665,987	-
Total non-current assets		71,665,987	0
Total assets		71,872,703	0
Liabilities			
Fees payable	4	(136,183)	-
Administration expenses payable	5	1,062	-
Distributions payable		-	-
Withholding tax payable		-	-
Total liabilities		(135,121)	0
Net assets		72,007,824	0
Represented by:			
Issued units		72,007,824	-
Undistributed profit/(loss) attributable to unitholders	6 (b)	-	-
Net assets attributable to unitholders		72,007,824	0

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 2017**

	Notes	2017 \$	2016 \$
Cash flows from operating activities			
Bank interest and commission rebate		5,130	-
Fees paid		(96,529)	-
Establishment costs		(26,675)	-
Tax paid		(9,074)	-
Other expenses		(8,973)	-
Net cash provided by/(used in) operating activities	10	<u>(135,121)</u>	<u>0</u>
Cash flows from investing activities			
Payment for investment assets		(71,665,987)	-
Payment for financial assets at fair value through profit or loss		-	-
Proceeds from sale of financial assets at fair value through profit or loss		-	-
Net cash provided by/ (used in) investing activities		<u>(71,665,987)</u>	<u>0</u>
Cash flows from financing activities			
Proceeds from units issue		72,007,824	-
Unit issue costs paid		-	-
Payment for units bought back		-	-
Proceeds from borrowings		-	-
Repayment of borrowings		-	-
Net cash provided by/ (used in) financing activities		<u>72,007,824</u>	<u>0</u>
Net increase/ (decrease) in cash and cash equivalents		206,716	-
Cash and cash equivalents at the beginning of year		-	-
Cash and cash equivalents at the end of year	2 (a)	<u><u>206,716</u></u>	<u><u>0</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 2017**

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 year.

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

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 unlisted 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 functional and presentation currency of the Fund is Australian dollars.

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.

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.

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Financial instruments

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.

(a) 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.

(b) Income tax

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

(c) 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.

(d) Comparatives

As the Golden Age Macquarie Park Development Fund commenced operations this financial year, there are no comparative numbers for the year ending 30 June 2016.

(e) 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 dates of the report from ANZ Bank (US\$1 equals AU\$0.76973). The assets, liabilities and equity items are translated using reporting date exchange rates.

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

NOTE 2: CASH AND CASH EQUIVALENTS

(a) Cash at bank

	2017	2016
	\$	\$
Macquarie Bank	155,584	-
ANZ Bank	51,132	-
	<u>206,716</u>	<u>0</u>

(b) Bank interest income and commission rebate

Cash on deposit is held in a Macquarie Bank cash management account (AUD) and ANZ Banking Group foreign currency account (USD). The current interest rate paid by Macquarie is 1.40% pa paid monthly. The Fund has been able to obtain a higher return from Macquarie which appears as a commission rebate, amounting to an extra 0.25% pa. ANZ Bank does not pay interest on USD accounts.

NOTE 3: INVESTMENT ASSETS

(a) Investment income

A return of 15% p.a. is payable on the amount invested. Interest applicable on the loan is US\$5,306,547.93 and AU\$430,582.19 as at 30 June 2017.

The interest on loans is calculated from the utilisation drawdown dates to the 31 August 2017 then annually thereafter. The first interest payment will be due on 31 August 2017.

(b) Investment held

As at 30 June 2017, the total of the loan to Golden Age Macquarie Park Development Pty Ltd was US\$52,200,000.00 and AU\$3,850,000.00. The investment has a potential term of 5 years.

NOTE 4: FEES PAYABLE

	2017	2016
	\$	\$
Trustee fees payable	6,600	-
Administration fees payable	5,145	-
Performance fees payable	(147,928)	-
	<u>(136,183)</u>	<u>0</u>

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

NOTE 5: ADMINISTRATION EXPENSES PAYABLE

	2017	2016
	\$	\$
Administration expenses payable	31	-
GST payable/(receivable)	(3,498)	-
Provision for tax return fees	3,050	-
Other accrued fees	1,479	-
	1,062	0
	1,062	0

NOTE 6: NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

	2017	2016
(a) Issued units		
Opening balance	-	-
Redemptions	-	-
Units issued – applications	56,379,900	-
Units issued – reinvestment of distributions	-	-
Closing balance	56,379,900	0
	56,379,900	0

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 maturity dates and distribution dates.

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

	2017	2016
	\$	\$
Opening balance	-	-
Operating profit/(loss) before finance costs attributable to unitholders	-	-
Distributions paid	-	-
Distributions payable	-	-
Closing balance	0	0
	0	0

Withholding taxes applicable to the distributions paid during the 2017 financial year were nil.

Total distribution for the financial year was nil.

(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 2017

NOTE 7: PERFORMANCE FEES

In accordance with the IM 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.

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 IM, 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 2.9% was applied from 1 October 2016.

NOTE 9: OTHER ADMINISTRATION EXPENSES

	2017	2016
	\$	\$
Tax return fees	3,050	-
Establishment fees	26,675	-
Legal fees	1,257	-
Bank fees	766	-
Other administration expenses	8,974	-
GST expense (non-claimable)	5,575	-
	<u>46,297</u>	<u>0</u>

NOTE 10: CASH FLOW INFORMATION

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

	2017	2016
	\$	\$
Profit/(loss) for the year	-	-
Changes in assets and liabilities:		
(Increase)/decrease in receivables	-	-
Increase/ (decrease) in payables	(135,121)	-
Cash flows from operating activities	<u>(135,121)</u>	<u>0</u>

NOTE 11: RELATED PARTY TRANSACTIONS

GOLDEN AGE MACQUARIE PARK DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

(a) Trustee

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

NOTE 11: RELATED PARTY TRANSACTIONS (continued)

(b) Investment Manager

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

(c) Trustee fees

Fees of \$56,984 (plus GST) were accrued and paid by the Fund to Vasco Investment Managers Limited for its role as Trustee for the period, of which \$3,134 is claimable by the Fund as RITC.

(d) Administration fees

Administration fees of \$49,777 (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 \$3,733 is claimable by the Fund as RITC.

(e) Investment management fees

As at 30 June 2017, a deficit of \$147,928 (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. No fees were paid to the Investment Manager during the year.

(f) 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 respective 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 2017 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 2017

NOTE 14: EVENTS SUBSEQUENT TO REPORTING DATE

A Supplementary IM was issued on 3 August 2017 to open the Fund to new investors. The money raised from these new investors will go towards funding the redemptions of investors seeking to avail themselves of the redemption opportunity as detailed in the Information Memorandum for the Fund.

There have been no other events subsequent to the reporting date that require additional disclosure.

NOTE 15: 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 2017 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

20 September 2017