

Spire USA ROC III Fund (AUD)

ARSN 609 038 600

Annual report For the year ended 30 June 2024

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Contents

Directors' report

Auditor's independence declaration

Statement of comprehensive income

Statement of financial position

Statement of changes in equity

Statement of cash flows

Notes to the financial statements

Directors' declaration

Independent auditor's report to the unit holders of Spire USA ROC III Fund (AUD)

This annual report covers Spire USA ROC III Fund (AUD) as an individual entity.

The Responsible Entity of Spire USA ROC III Fund (AUD) is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975).

The Responsible Entity's registered office is:

Level 1, 575 Bourke Street
Melbourne, VIC 3000.

Directors' report

The directors of Equity Trustees Limited, the Responsible Entity of Spire USA ROC III Fund (AUD) (the "Fund"), present their report together with the financial statements of the Fund for the year ended 30 June 2024.

Principal activities

The Fund is an Australian Feeder Fund, which invests primarily in ROC III Australian Feeder (USD) LP (the Underlying Fund), managed by Bridge Investment Group Partners, LLC in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution.

The Fund, which was established in 2015, is an illiquid close-ended unlisted Australian registered managed investment scheme with an 8-year term that may be extended by up to two consecutive one-year periods to Underlying Fund by the Investment Manager. The underlying investment manager exercised its option to extend the first one-year period to January 2024, and subsequently the second one-year period to January 2025.

The Fund did not have any employees during the year.

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

The various service providers of the Fund are detailed below:

Service	Provider
Responsible Entity and Custodian	Equity Trustees Limited
Investment Manager	Bridge Investment Group, LLC
Fund Manager	Spire Capital Limited
Administrator and Registrar	MUFG Corporate Markets (previously Link Fund Solutions Pty Limited)*
Statutory Auditor	Deloitte Touche Tohmatsu

* Effective 16 May 2024, Link Fund Solutions Pty Limited changed its name to MUFG Corporate Markets.

Directors

Philip D Gentry	Chairman (resigned 6 June 2024)
Michael J O'Brien	Chairman (appointed 6 June 2024)
Russell W Beasley	(resigned 9 October 2024)
Mary A O'Connor	
David B Warren	
Andrew P Godfrey	(appointed 1 May 2024)
Johanna E Platt	(appointed 9 October 2024)

Review and results of operations

During the year, the Fund continued to invest its funds in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution.

The Fund is expected to terminate in the near future. Consequently, it has been determined that the going concern basis is no longer appropriate and the financial statements have been prepared on non-going concern basis.

Review and results of operations (continued)

The performance of the Fund, as represented by the results of its operations, was as follows:

	Year ended	
	30 June 2024	30 June 2023
Profit/(loss) for the year (\$)	530,771	(14,550,321)
Distributions paid and payable (\$)	13,985,740	9,535,538
Distributions (cents per unit)	18.4259	12.5629

Significant changes in the state of affairs

In June 2023, the Investment Manager of Underlying Fund notified the Fund of a conditional fund recapitalisation transaction ("recapitalisation event"). Under this proposal, investors in Underlying Fund had the option to exit Underlying Fund or to roll their remaining investment into a new Continuation Vehicle. On assessment of the recapitalisation event, the Fund decided to exit its holdings in the Underlying Fund. On 1 September 2023, the Fund received 85% of the 30 June 2023 total book value of Underlying Fund assets. Consequently, it has been determined that the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a liquidation basis.

Andrew P Godfrey was appointed as a director of Equity Trustees Limited on 1 May 2024.

Philip D Gentry resigned as a director of Equity Trustees Limited on 6 June 2024.

There were no other significant changes in the state of affairs of the Fund that occurred during the financial year.

Matters subsequent to the end of the financial year

On 9 October 2024, Russell W Beasley resigned as a director of Equity Trustees Limited, with Johanna E Platt being appointed as director on the same date.

The Fund will be terminated once the Underlying Fund is fully redeemed and liquidated in the near future.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may have a significant effect on:

- i. the operations of the Fund in future financial years; or
- ii. the results of those operations in future financial years; or
- iii. the state of affairs of the Fund in future financial years.

Likely developments and expected results of operations

Until termination, the Fund will continue to be managed in accordance with the investment objectives and guidelines as set out in the Product Disclosure Statement and the provisions of the Fund's Constitution.

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

Indemnification and insurance of officers

No insurance premiums are paid for out of the assets of the Fund in regard to insurance cover provided to the officers of Equity Trustees Limited. So long as the officers of Equity Trustees Limited act in accordance with the Fund's Constitution and the Law, the officers remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund.

Indemnification of auditor

The auditors of the Fund are in no way indemnified out of the assets of the Fund.

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

Fees paid to the Responsible Entity and its associates out of Fund property during the year are disclosed in Note 14 to the financial statements.

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

The number of interests in the Fund held by the Responsible Entity or its associates as at the end of the financial year are disclosed in Note 14 to the financial statements.

Interests in the Fund

The movement in units on issue in the Fund during the year is disclosed in Note 7 to the financial statements.

The value of the Fund's assets and liabilities is disclosed in the statement of financial position and derived using the basis set out in Note 2 to the financial statements.

Environmental regulation

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

Rounding of amounts to the nearest dollar

Amounts in the Directors' report have been rounded to the nearest dollar in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, unless otherwise indicated.

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 55.

This report is made in accordance with a resolution of the directors of Equity Trustees Limited through a delegated authority given by Equity Trustees Limited's Board.



Andrew P Godfrey
Director

Melbourne
13 November 2024

13 November 2024

The Board of Directors
Equity Trustees Limited
Level 1, 575 Bourke Street
MELBOURNE VIC 3000

Dear Board Members,

Auditor's Independence Declaration - Spire USA ROC III Fund (AUD)

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the Directors of Equity Trustees Limited, the Responsible Entity, regarding the financial report of Spire USA ROC III Fund (AUD) (the "Fund").

As lead audit partner for the audit of the financial report of the Fund for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully



DELOITTE TOUCHE TOHMATSU



Jonathon Corbett
Partner
Chartered Accountants

Spire USA ROC III Fund (AUD)
Statement of comprehensive income
For the year ended 30 June 2024

Statement of comprehensive income

	Year ended	
	30 June	30 June
	2024	2023
	\$	\$
Income		
Interest income from financial assets at amortised cost	2,097	5,093
Partnership distributions	1,843,768	4,195,955
Net gains/(losses) on financial instruments at fair value through profit or loss	(1,208,923)	(18,485,655)
Net foreign exchange gain/(loss)	12,153	36,305
Total income/(loss)	649,095	(14,248,302)
Expenses		
Management fees and costs	113,480	273,589
Other expenses	4,844	28,430
Total expenses	118,324	302,019
Profit/(loss) for the year	530,771	(14,550,321)
Other comprehensive income	-	-
Total comprehensive income for the year	530,771	(14,550,321)

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

Spire USA ROC III Fund (AUD)
Statement of financial position
As at 30 June 2024

Statement of financial position

		As at	
		30 June	30 June
		2024	2023
	Note	\$	\$
Assets			
Cash and cash equivalents	9	537,879	3,160,048
Receivables	11	13,448	39,317
Financial assets at fair value through profit or loss	5	2,741,610	15,947,989
Total assets		3,292,937	19,147,354
Liabilities			
Distributions payable	8	205,740	2,589,238
Payables	12	32,892	48,842
Total liabilities		238,632	2,638,080
Net assets attributable to unit holders - equity	7	3,054,305	16,509,274

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

Spire USA ROC III Fund (AUD)
Statement of changes in equity
For the year ended 30 June 2024

Statement of changes in equity

	Year ended	
	30 June	30 June
	2024	2023
Note	\$	\$
Total equity at the beginning of the financial year	16,509,274	40,595,133
Comprehensive income for the financial year		
Profit/(loss) for the year	530,771	(14,550,321)
Other comprehensive income	-	-
Total comprehensive income	530,771	(14,550,321)
Transactions with unit holders		
Distributions paid and payable	8 (13,985,740)	(9,535,538)
Total transactions with unit holders	(13,985,740)	(9,535,538)
Total equity at the end of the financial year	3,054,305	16,509,274

The above statement of changes in equity should be read in conjunction with the accompanying notes with reference to Notes 1, 2c and 7.

Spire USA ROC III Fund (AUD)
Statement of cash flows
For the year ended 30 June 2024

Statement of cash flows

	Year ended	
	30 June	30 June
	2024	2023
Note	\$	\$
Cash flows from operating activities		
Return of capital received	11,997,456	5,364,057
Partnership distributions received	1,843,768	4,195,955
Interest received	2,097	5,093
Management fees and costs paid	(129,430)	(356,992)
Net GST amounts received	25,869	7,463
Other expenses paid	(4,844)	(29,478)
Net cash inflow/(outflow) from operating activities	10(a) 13,734,916	9,186,098
Cash flows from financing activities		
Distributions paid to unit holders	(16,369,238)	(17,068,524)
Net cash inflow/(outflow) from financing activities	(16,369,238)	(17,068,524)
Net increase/(decrease) in cash and cash equivalents	(2,634,322)	(7,882,426)
Cash and cash equivalents at the beginning of the year	3,160,048	11,006,169
Effect of foreign currency exchange rate changes on cash and cash equivalents	12,153	36,305
Cash and cash equivalents at the end of the year	9 537,879	3,160,048

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

Notes to the financial statements

Contents

- 1 General information
- 2 Summary of material accounting policies
- 3 Financial risk management
- 4 Fair value measurement
- 5 Financial assets at fair value through profit or loss
- 6 Structured entities
- 7 Net assets attributable to unit holders - equity
- 8 Distributions to unit holders
- 9 Cash and cash equivalents
- 10 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities
- 11 Receivables
- 12 Payables
- 13 Remuneration of auditors
- 14 Related party transactions
- 15 Events occurring after the reporting period
- 16 Contingent assets and liabilities and commitments

1 General information

These financial statements cover Spire USA ROC III Fund (AUD) (the "Fund") as an individual entity. The Fund is an Australian registered managed investment scheme which was constituted on 30 October 2015 and will terminate in accordance with the provisions of the Fund's Constitution or by Law.

The Responsible Entity of the Fund is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975) (the "Responsible Entity"). The Responsible Entity's registered office is Level 1, 575 Bourke Street, Melbourne, VIC 3000. The financial statements are presented in the Australian currency unless otherwise noted.

As a result of the recapitalisation event, the Underlying Fund is expected to be fully redeemed and liquidated in the near future. Consequently, it has been determined that the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a liquidation basis.

Until termination, the Fund will continue to be managed in accordance with the investment objectives and guidelines as set out in the Product Disclosure Statement and the provisions of the Fund's Constitution.

In accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution, the Fund is a feeder fund to ROC III Australian Feeder (USD) LP (the "Underlying Fund"), a foreign limited partnership that is part of the ROC III Program. The ROC III Program invests in real estate assets in local US markets that have attractive growth characteristics.

The Fund, which was established in 2015, is an illiquid close-ended unlisted Australian registered managed investment scheme with an 8-year term that may be extended by up to two consecutive one-year periods to Underlying Fund by the Investment Manager. The underlying investment manager exercised its option to extend the first one-year period to January 2024, and subsequently the second one-year period to January 2025.

Effective 16 May 2024, Link Fund Solutions Pty Limited changed its name to MUFG Corporate Markets.

The financial statements were authorised for issue by the directors on the date the Directors' declaration was signed. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

2 Summary of material accounting policies

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

a. Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001* in Australia. The Fund is a for-profit entity for the purpose of preparing the financial statements.

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

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within 12 months, except for investments in financial assets and net assets attributable to unit holders.

The Fund manages financial assets at fair value through profit or loss based on the economic circumstances at any given point in time.

2 Summary of material accounting policies (continued)

a. Basis of preparation (continued)

As a result of the recapitalisation event, the Underlying Fund is expected to be fully redeemed and liquidated in the near future. Consequently, it has been determined that the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a liquidation basis. Assets have been written down to the lower of their carrying amounts and net realisable value and additional liabilities have been recognised to the extent there is a present obligation at the reporting date.

i. Compliance with International Financial Reporting Standards (IFRS)

The financial statements of the Fund also comply with IFRS as issued by the International Accounting Standards Board (IASB).

ii. New and amended standards adopted by the Fund

The Fund has applied the following standards and amendments for the first time for its financial year beginning 1 July 2023:

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

The amendments have had an impact on the Fund's disclosures of accounting policies, including the requirement to disclose 'material' rather than 'significant' accounting policies, but not on the measurement, recognition or presentation of any items in the Fund's financial statements.

None of the other standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2023 have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

iii. New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2024 and have not been early adopted in preparing these financial statements.

None of these are expected to have a material effect on the financial statements of the Fund.

b. Financial instruments

i. Classification

- Financial assets

The Fund classifies its financial assets in the following measurement categories:

- those to be measured at fair value through profit or loss; and
- those to be measured at amortised cost.

The Fund classifies its financial assets based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

The Fund's portfolio of financial assets is managed and its performance is evaluated on a fair value basis in accordance with the Fund's documented investment strategy. The Fund's policy is for the Investment Manager to evaluate the information about these financial assets on a fair value basis together with other related financial information.

For investments in foreign limited partnership, the contractual cash flows of these instruments do not represent solely payments of principal and interest. Consequently, these investments are measured at fair value through profit or loss.

2 Summary of material accounting policies (continued)

b. Financial instruments (continued)

i. Classification (continued)

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

- Financial liabilities

For financial liabilities that are not classified and measured at fair value through profit or loss, these are classified as financial liabilities at amortised cost (distributions payable, management fees and costs payable and tax fees payable).

ii. Recognition and derecognition

The Fund recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in the fair value of the financial assets or financial liabilities from this date.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or the Fund has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liabilities are discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

iii. Measurement

- Financial instruments at fair value through profit or loss

At initial recognition, the Fund measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of comprehensive income.

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

For further details on how the fair value of financial instruments is determined, please see Note 4 to the financial statements.

- Financial instruments at amortised cost

For financial assets and financial liabilities at amortised cost, they are initially measured at fair value including directly attributable costs and are subsequently measured using the effective interest rate method less any allowance for expected credit losses.

Cash and cash equivalents, receivables and payables are carried at amortised cost.

2 Summary of material accounting policies (continued)

b. Financial instruments (continued)

iv. Impairment

At each reporting date, the Fund shall estimate a loss allowance on each of the financial assets carried at amortised cost (cash and cash equivalents and receivables) at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counter party, probability that the counter party will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that the asset is credit impaired. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the net carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

The expected credit loss (ECL) approach is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Fund expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

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

v. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when the Fund has 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.

As at the end of the reporting period, there are no financial assets or liabilities offset or with the right to offset in the statement of financial position.

c. Net assets attributable to unit holders

The Fund is an illiquid close-ended unlisted Australian registered managed investment scheme and is not subject to redemptions.

The Fund's units are classified as equity as they satisfy the following criteria under AASB 132 *Financial Instruments: Presentation*:

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Fund's liquidation;
- the puttable financial instrument is in the class of instruments that is subordinate to all other classes of instruments and class features are identical;
- the puttable financial instrument does not include any contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavourable conditions to the Fund, and is not a contract settled in the Fund's own equity instruments; and
- the total expected cash flows attributable to the puttable financial instrument over the life are based substantially on the profit or loss.

d. 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, and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as trading of these securities represents the Fund's main income generating activity.

2 Summary of material accounting policies (continued)

e. Income

i. Interest income

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

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating the interest income 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. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does 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.

ii. Distributions

Partnership distributions are recognised on an entitlement basis.

f. Expenses

All expenses are recognised in the statement of comprehensive income on an accruals basis.

Management fees and costs covers certain ordinary expenses such as Investment Management fees, Responsible Entity fees, custodian and administration fees, audit fees and other operating expenses.

g. Income tax

Under current legislation, the Fund is not subject to income tax provided it attributes the entirety of its taxable income to unit holders.

The Fund currently incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the statement of comprehensive income. Withholding taxes are included in the statement of comprehensive income as an expense.

h. Distributions

The Fund may distribute its distributable income, in accordance with the Fund's Constitution, to unit holders by cash. The distributions are recognised in the statement of changes in equity.

i. Foreign currency translation

i. Functional and presentation currency

Balances included in the Fund's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar which reflects the currency of the economy in which the Fund competes for funds, and is regulated. The Australian dollar is also the Fund's presentation currency.

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates 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 the statement 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.

2 Summary of material accounting policies (continued)

i. Foreign currency translation (continued)

ii. Transactions and balances (continued)

The Fund does not isolate that portion of unrealised gains or losses on financial instruments at fair value through profit or loss which is due to changes in foreign exchange rates. Such fluctuations are included in the net gains/(losses) on financial instruments at fair value through profit or loss.

j. Receivables

Receivables may include amounts for partnership distributions. Partnership distributions are accrued when the right to receive payment is established. Where applicable, interest is accrued on a monthly basis. Amounts are generally received within 30 days of being recorded as receivables.

k. Payables

Payables include liabilities and accrued expenses owed by the Fund which are unpaid as at the end of the reporting period.

A separate distributions payable is recognised in the statement of financial position.

l. Applications and redemptions

The Fund is an illiquid close-ended unlisted registered Australian managed investment scheme and is not subject to redemptions and further applications.

m. Goods and services tax (GST)

The GST incurred on the costs of various services provided to the Fund by third parties such as management, administration and custodian services where applicable, have been passed on to the Fund. The Fund qualifies for Reduced Input Tax Credits (RITC) at a rate of at least 55%. Hence, fees for these services and any other expenses have been recognised in the statement of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Amounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the statement of financial position. Cash flows relating to GST are included in the statement of cash flows on a gross basis.

n. Use of estimates and judgements

The Fund makes estimates, assumptions and judgements that affect the reported amounts of assets and liabilities within the current and next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods effected.

The Fund estimates that the resultant expected credit loss (ECL) derived from using impairment model has not significantly impacted the Fund. Please see Note 3 for more information on credit risk.

For more information on how fair value is calculated, please refer to Note 4 to the financial statements.

o. Rounding of amounts

The Fund is an entity of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded to the nearest dollar unless otherwise indicated.

3 Financial risk management

The Fund's activities expose it to a variety of financial risks including market risk (which incorporates price risk, foreign exchange risk and cash flow and fair value interest rate risk), credit risk and liquidity risk.

3 Financial risk management (continued)

The Fund's overall risk management programme focuses on ensuring compliance with the Fund's Product Disclosure Statement and the investment guidelines of the Fund. It also seeks to maximise the returns derived from the level of risk to which the Fund is exposed and seeks to minimise potential adverse effects on the Fund's financial performance.

All investments present a risk of loss of capital. The maximum loss of capital on investments in foreign limited partnership is limited to the fair value of those positions.

The investments of the Fund, and associated risks, are managed by a specialist Investment Manager, Bridge Investment Group Partners, LLC ("Bridge"), under an Investment Management Agreement ("IMA") approved by the Responsible Entity, and containing the investment strategy and guidelines of the Fund, consistent with those stated in the Product Disclosure Statement.

The Fund uses different methods to measure different types of risk to which it is exposed. These methods are explained below.

a. Market risk

i. Price risk

The Fund is exposed to price risk on its investment in foreign limited partnership. Price risk arises from investments held by the Fund for which prices in the future are uncertain. Where non-monetary financial instruments are denominated in currencies other than the Australian dollar, the price in the future will also fluctuate because of changes in foreign exchange rates which are considered a component of price risk.

The Fund has a significant concentration of risk arising from its exclusive investment in the Underlying Fund. As at 30 June 2024, the Fund's investment in the Underlying Fund represents 100% of the Fund's financial assets at fair value through profit or loss.

The price risk in the Underlying Fund is managed by Bridge taking into account the asset allocation of each holding of the Underlying Fund in order to minimise the risk associated with particular sectors while continuing to follow their respective investment objective. Bridge achieves this primarily through the diversification of the portfolio consisting of 62 separate real estate assets across the US. The ROC III portfolio focuses on multifamily apartments and commercial office property investments.

The table at Note 3(b) summarises the sensitivity of the Fund's assets and liabilities to price risk. The analysis is based on the reasonably possible shift that the investment portfolio in which the Fund invests moves by +/- 10% (2023: +/- 10%).

ii. Foreign exchange risk

The Fund operates internationally and holds both monetary and non-monetary assets denominated in currencies other than the Australian dollar. Foreign exchange risk arises as the value of monetary securities denominated in other currencies fluctuate due to changes in exchange rates. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk and not foreign exchange risk. However, the Investment Manager monitors the exposure of all foreign currency denominated assets and liabilities.

The Fund does not hedge currency exposure.

The table below summarises the fair value of the Fund's financial assets, monetary and non-monetary, which are denominated in a currency other than the Australian dollar.

	US Dollar A\$
As at 30 June 2024	
Cash and cash equivalents	1,930
Financial assets held at fair value through profit or loss	2,741,610
Net exposure	2,743,540

3 Financial risk management (continued)

a. Market risk (continued)

ii. Foreign exchange risk (continued)

As at 30 June 2023

Cash and cash equivalents	2,208,711
Financial assets held at fair value through profit or loss	15,947,989
Net exposure	<u>18,156,700</u>

The table at Note 3(b) summarises the sensitivity of the Fund's monetary assets and liabilities to foreign exchange risk. The analysis is based on the reasonably possible shift that the Australian dollar weakened and strengthened by +/-10% (2023: +/-10%) against the significant foreign currencies to which the Fund is exposed.

iii. Cash flow and fair value interest rate risk

The Fund is exposed to cash flow interest rate risk on financial instruments with variable interest rates. Financial instruments with fixed rates expose the Fund to fair value interest rate risk.

The Fund's interest bearing financial instruments expose it to risks associated with the effects of fluctuations in the prevailing market interest rates on its financial position and cash flows. The risk is measured using sensitivity analysis.

The Fund has significant cash balances to meet future calls from the Underlying Fund. The majority of cash is held in USD currency accounts which did not generate interest during the period, limiting the funds exposure to interest rate risk.

The table below summarises the Fund's exposure to interest rate risk at the end of the reporting period.

	Floating interest rate \$	Non- interest bearing \$	Total \$
As at 30 June 2024			
Financial assets			
Cash and cash equivalents	537,879	-	537,879
Receivables	-	13,448	13,448
Financial assets at value through profit or loss	-	2,741,610	2,741,610
Total financial assets	<u>537,879</u>	<u>2,755,058</u>	<u>3,292,937</u>
Financial liabilities			
Distributions payable	-	205,740	205,740
Payables	-	32,892	32,892
Total financial liabilities	<u>-</u>	<u>238,632</u>	<u>238,632</u>
Net exposure	<u>537,879</u>	<u>2,516,426</u>	<u>3,054,305</u>

3 Financial risk management (continued)

a. Market risk (continued)

iii. Cash flow and fair value interest rate risk (continued)

	Floating interest rate	Non- interest bearing	Total
As at 30 June 2023			
Financial assets			
Cash and cash equivalents	3,160,048	-	3,160,048
Receivables	-	39,317	39,317
Financial assets at value through profit or loss	-	15,947,989	15,947,989
Total financial assets	3,160,048	15,987,306	19,147,354
Financial liabilities			
Distributions payable	-	2,589,238	2,589,238
Payables	-	48,842	48,842
Total financial liabilities	-	2,638,080	2,638,080
Net exposure	3,160,048	13,349,226	16,509,274

The table at Note 3(b) summarises the impact of an increase/decrease in interest rates on the Fund's operating profit and net assets attributable to unit holders through changes in fair value or changes in future cash flows. The analysis is based on the reasonably possible shift that interest rates change by +/- 100 basis points (2023: +/- 100 basis points) from the year end rates with all other variables held constant.

b. Summarised sensitivity analysis

The following table summarises the sensitivity of the Fund's operating profit and net assets attributable to unit holders to market risks. The reasonably possible movements in the risk variables have been determined based on management's best estimate having regard to a number of factors, including historical levels of changes in foreign exchange rates, interest rates and the historical correlation of the Fund's investments with market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market movements resulting from changes in the performance of and/or correlation between the performances of the economies, markets and securities in which the Fund invests. As a result, historic variations in risk variables should not be used to predict future variances in the risk variables.

	Impact on operating profit/ net assets attributable to unit holders					
	Price risk		Interest rate risk		Foreign exchange risk	
	+10%	-10%	+100bps	-100bps	+10%	-10%
	US Dollar	US Dollar	US Dollar	US Dollar	US Dollar	US Dollar
	\$	\$	\$	\$	\$	\$
As at 30 June 2024	274,161	(274,161)	5,379	(5,379)	193	(193)
As at 30 June 2023	1,594,799	(1,594,799)	31,600	(31,600)	220,871	(220,871)

3 Financial risk management (continued)

c. Credit risk

The Fund is exposed to credit risk, which is the risk that a counterparty will be unable to pay its obligations in full when they fall due, causing a financial loss to the Fund.

The main concentration of credit risk, to which the Fund is exposed, arises from cash and cash equivalents. None of these assets are impaired nor past their due date. The maximum exposure to credit risk is the carrying amount of these balances as at the reporting date.

The Fund manages credit risk by only entering into agreements with credit worthy parties.

d. 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 is exposed to indirect liquidity risk via its investment in the Underlying Fund. The Underlying Fund invests in private equity investments which are often illiquid long-term investments. These investments are valued on the basis of estimated prices and forecast cash flows and are therefore subject to greater pricing uncertainties than listed investments.

As the Fund is an illiquid close-ended Fund, it is not exposed to liquidity on unit holders' redemptions.

The Fund manages liquidity risk by maintaining sufficient cash balances to meet its obligations.

Maturities of non-derivative financial liabilities

All non-derivative financial liabilities of the Fund in the current period have maturities of less than 1 month.

4 Fair value measurement

The Fund measures and recognises financial assets at fair value through profit or loss on a recurring basis.

- Financial assets at fair value through profit or loss (see Note 5)

The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement 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 or indirectly (level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The Fund values its investments in accordance with the accounting policies set out in Note 2 to the financial statements.

a. Valuation using level 3 inputs

The fair value of financial assets that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market 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 provides a reliable estimate of prices obtained in actual market transactions.

4 Fair value measurement (continued)

a. Valuation using level 3 inputs (continued)

Investments in foreign limited partnership are valued as the Fund's share of net asset value ("NAV") as reported by the Underlying Fund's quarterly statements. The Fund's investment in the Underlying Fund is recorded at the net asset value per unit as reported by Bridge Investment Group Partners, LLC, the manager of the Underlying Fund.

The Fund makes adjustments to the redemption value based on considerations such as the liquidity of the unit trust or its underlying investment, or any restrictions on redemptions and the basis of accounting.

b. Recognised fair value measurements

The table below presents the Fund's financial assets measured and recognised at fair value as at 30 June 2024 and 30 June 2023.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
As at 30 June 2024				
Financial assets				
Foreign limited partnership	-	-	2,741,610	2,741,610
Total financial assets	-	-	2,741,610	2,741,610
As at 30 June 2023				
Financial assets				
Foreign limited partnership	-	-	15,947,989	15,947,989
Total financial assets	-	-	15,947,989	15,947,989

c. Transfers between levels

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

There were no transfers between levels in the fair value hierarchy at the end of the reporting period.

d. Fair value measurements using significant unobservable inputs (level 3)

The following table presents the movement in level 3 instruments for the year ended 30 June 2024 and 30 June 2023 by class of financial instrument.

	Foreign limited partnership \$
As at 30 June 2024	
Opening balance - 1 July 2023	15,947,989
Capital calls paid	-
Return of capital received	(11,997,456)
Gains and losses recognised in the statement of comprehensive income	(1,208,923)
Closing balance - 30 June 2024*	2,741,610
As at 30 June 2023	
Opening balance - 1 July 2022	39,797,701
Return of capital received	(5,364,057)
Gains and losses recognised in the statement of comprehensive income	(18,485,655)
Closing balance - 30 June 2023*	15,947,989

4 Fair value measurement (continued)

d. Fair value measurements using significant unobservable inputs (level 3) (continued)

* Includes unrealised gains/(losses) recognised in profit or loss attributable to balances held at the end of the reporting period

i. Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the material unobservable inputs used in level 3 fair value measurements. See Note 4(a) above for the valuation techniques adopted.

Description	Fair value \$	Unobservable inputs	Range of inputs (probability - weighted average)	Relationship of unobservable inputs to fair value
As at 30 June 2024				
ROC III Australian Feeder (USD) LP	2,741,610	Latest Underlying Fund Partner Statement (30 June 2024)	N/A	Direct
As at 30 June 2023				
ROC III Australian Feeder (USD) LP	15,947,989	Latest Underlying Fund Partner Statement (30 June 2023)	N/A	Direct

There were no significant inter-relationships between unobservable inputs that materially affect fair values.

ii. Valuation processes

Investments in foreign limited partnership are valued as the Fund's share of NAV as reported by the Underlying Fund's quarterly statements.

e. Financial instruments not carried at fair value

The carrying values of cash and cash equivalents, receivables and payables approximate their fair values due to their short-term nature.

5 Financial assets at fair value through profit or loss

	As at	
	30 June	30 June
	2024	2023
	\$	\$
Foreign limited partnership	2,741,610	15,947,989
Total financial assets at fair value through profit or loss	2,741,610	15,947,989

An overview of the risk exposures and fair value measurements relating to financial assets at fair value through profit or loss is included in Note 3 and Note 4 to the financial statements.

6 Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, and the relevant activities are directed by means of contractual arrangement.

The Fund considers its investment in foreign limited partnership to be a structured entity. The Fund invests in foreign limited partnership for the purpose of capital appreciation and/or earning investment income.

The exposure to investments in foreign limited partnership is disclosed in the following table:

	Fair value of investment	
	As at	As at
	30 June	30 June
	2024	2023
	\$	\$
ROC III Australian Feeder (USD) LP	2,741,610	15,947,989
Total investments in foreign limited partnership	2,741,610	15,947,989

The Fund has determined that it meets the definition of an investment entity in accordance with AASB 10 *Consolidated Financial Statements*. The Fund does not control any of the entities where it has an investment and therefore does not prepare consolidated financial statements. Instead the investments are accounted for at fair value through profit or loss as discussed in Note 2(b). The fair value of the investments in foreign limited partnership is included in the financial assets at fair value through profit or loss in the statement of financial position.

The Fund's maximum exposure to loss from its interest in the foreign limited partnership is equal to the fair value of its investments in foreign limited partnership as there are no off-balance sheet exposures relating to the foreign limited partnership. Once the Fund has disposed of its units in the foreign limited partnership, it ceases to be exposed to any risk from that foreign limited partnership.

During the year ended 30 June 2024, total gains/(losses) incurred on investments in foreign limited partnership was \$(1,208,923) (2023: loss of \$18,485,655). The Fund also earned partnership distribution income of \$1,843,768 (2023: \$4,195,955) as a result of its interests in the foreign limited partnership.

7 Net assets attributable to unit holders - equity

Under AASB 132 Financial Instruments: Presentation, puttable financial instruments are classified as equity where certain criteria are met. The Fund shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions. The Fund's units are classified as equity as they meet the definition of a financial instrument to be classified as equity.

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

7 Net assets attributable to unit holders - equity (continued)

	Year ended		Year ended	
	30 June 2024	30 June 2024	30 June 2023	30 June 2023
Ordinary Class	Units	\$	Units	\$
Opening balance	75,902,768	16,509,274	75,902,768	40,595,133
Distributions paid and payable	-	(13,985,740)	-	(9,535,538)
Profit/(loss) for the year	-	530,771	-	(14,550,321)
Closing balance	75,902,768	3,054,305	75,902,768	16,509,274

As stipulated within the Fund's Constitution, each unit represents a right to an individual share in the Fund and does not extend to a right to the underlying assets of the Fund.

There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund.

Capital risk management

The Fund is an illiquid close-ended unlisted registered Australian managed investment scheme and is not subject to redemptions and further applications.

8 Distributions to unit holders

The distributions declared during the year were as follows:

	Year ended		Year ended	
	30 June 2024	30 June 2024	30 June 2023	30 June 2023
	\$	CPU	\$	CPU
Distributions				
September (paid)	13,780,000	18.1548	6,946,300	9.1516
June (payable)	205,740	0.2711	2,589,238	3.4113
Total distributions	13,985,740	18.4259	9,535,538	12.5629

9 Cash and cash equivalents

	As at	
	30 June 2024	30 June 2023
	\$	\$
Cash at bank	537,879	3,160,048
Total cash and cash equivalents	537,879	3,160,048

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

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

	Year ended	
	30 June 2024	30 June 2023
	\$	\$
Profit/(loss) for the year	530,771	(14,550,321)
Return of capital received	11,997,456	5,364,057
Net (gains)/losses on financial instruments at fair value through profit or loss	1,208,923	18,485,655
Net foreign exchange (gain)/loss	(12,153)	(36,305)
Net change in receivables	25,869	7,463
Net change in payables	(15,950)	(84,451)
Net cash inflow/(outflow) from operating activities	13,734,916	9,186,098

11 Receivables

	As at	
	30 June 2024	30 June 2023
	\$	\$
GST receivable	13,448	39,317
Total receivables	13,448	39,317

12 Payables

	As at	
	30 June 2024	30 June 2023
	\$	\$
Management fees and costs payable	22,804	38,754
Tax fees payable	10,088	10,088
Total payables	32,892	48,842

13 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditors of the Fund:

	Year ended	
	30 June 2024	30 June 2023
	\$	\$
Deloitte Touche Tohmatsu		
<i>Audit and other assurance services</i>		
Audit and review of financial statements	21,184	19,882
Total auditor remuneration and other assurance services	21,184	19,882
Total remuneration of Deloitte Touche Tohmatsu	21,184	19,882
 PricewaterhouseCoopers		
<i>Audit and other assurance services</i>		
Audit of compliance plan	2,400	2,346
Total auditor remuneration and other assurance services	2,400	2,346
Total remuneration of PricewaterhouseCoopers	2,400	2,346

The auditors' remuneration is borne by the Fund. Fees are stated exclusive of GST.

14 Related party transactions

The Responsible Entity of Spire USA ROC III Fund (AUD) is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975). Accordingly, transactions with entities related to Equity Trustees Limited are disclosed below.

The Responsible Entity has contracted services to Spire Capital Pty Ltd to act as Investment Manager for the Fund, and, Bridge Investment Group Partners, LLC to act as Investment Manager and MUFG Corporate Markets (previously Link Fund Solutions Pty Limited) to act as Administrator and Registrar. Equity Trustees Limited also acts as Custodian for the Fund. The contracts are on normal commercial terms and conditions.

a. Key management personnel

i. Directors

Philip D Gentry	Chairman (resigned 6 June 2024)
Michael J O'Brien	Chairman (appointed 6 June 2024)
Russell W Beasley	(resigned 9 October 2024)
Mary A O'Connor	
David B Warren	
Andrew P Godfrey	(appointed 1 May 2024)
Johanna E Platt	(appointed 9 October 2024)

ii. Responsible Entity

Other than fees paid to the Responsible Entity, there were no other transactions.

iii. Other key management personnel

There were no other key management personnel with responsibility for planning, directing and controlling the activities of the Fund, directly or indirectly during the financial year.

b. Transactions with key management personnel

There were no transactions within key management personnel during the reporting period.

c. Key management personnel unit holdings

Key management personnel did not hold units in the Fund as at 30 June 2024 (30 June 2023: nil).

d. Key management personnel compensation

Key management personnel are paid by EQT Services Pty Ltd. Payments made from the Fund to Equity Trustees Limited do not include any amounts directly attributable to the compensation of key management personnel.

e. Key management personnel loans

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

f. Other transactions within the Fund

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Fund during the financial year and there were no material contracts involving management personnel's interests existing at year end.

g. Responsible Entity fees, Fund Manager's fees and other transactions

The transactions during the year and amounts payable as at year end between the Fund, the Responsible Entity and the Fund Manager were as follows:

14 Related party transactions (continued)

	Year ended	
	30 June 2024	30 June 2023
	\$	\$
Management fees for the year	27,347	165,682
Responsible Entity fees for the year	5,923	20,071
Management fees payable at year end	4,314	7,443
Responsible Entity fees payable at year end	476	4,235

Under the terms of the Fund's Constitution and Product Disclosure Statement, management fees and costs includes responsible entity fees paid to the Responsible Entity, management fees paid to the Investment Manager and other costs (such as custody fees, administration fees and audit fees) paid to other unrelated parties. Please refer to the Fund's Product Disclosure Statement for information on how management fees and costs are calculated.

h. Related party unit holdings

Parties related to the Fund (including Equity Trustees Limited, its related parties and other schemes managed by Equity Trustees Limited and the Fund Manager), hold units in the Fund as follows:

Unit holder	No. of units held opening	No. of units held closing	Fair value of investment	Interest held	No. of units acquired	No. of units disposed	Distributions paid/payable by the Fund
As at 30 June 2024			(\$)	(%)			(\$)
Spire Property Partners Pty Ltd ATF Spire Property Unit Trust	22,487	22,487	988	0.03	-	-	4,143
Unit holder As at 30 June 2023							
Spire Property Partners Pty Ltd ATF Spire Property Unit Trust	22,487	22,487	4,104	0.03	-	-	4,104

i. Investments

The Fund did not hold any investments in Equity Trustees Limited or its related parties during the year (2023: nil).

15 Events occurring after the reporting period

The Fund will be terminated once the Underlying Fund is fully redeemed and liquidated in the near future.

No other significant events have occurred since the end of the year which would impact on the financial position of the Fund as disclosed in the statement of financial position as at 30 June 2024 or on the results and cash flows of the Fund for the year ended on that date.

16 Contingent assets and liabilities and commitments

At the beginning of the year, the Fund had commitments of US\$53,000,000 (2023: US\$53,000,000) to ROC III Australian Feeder (USD) LP.

As at 30 June 2024, the total paid up commitment amount was US\$51,571,504 (30 June 2023: US\$51,571,504). Therefore, the outstanding commitment as at 30 June 2024 was US\$1,428,496 (30 June 2023: US\$1,428,496).

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- a. The financial statements and notes set out on pages 6 to 29 are in accordance with the *Corporations Act 2001*, including:
 - i. complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - ii. giving a true and fair view of the Fund's financial position as at 30 June 2024 and of its performance for the financial year ended on that date.
- b. There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable; and
- c. Note 2(a) confirms that the financial statements also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors of Equity Trustees Limited through a delegated authority given by Equity Trustees Limited's Board.



Andrew P Godfrey
Director

Melbourne
13 November 2024

Independent Auditor's Report to the Unit Holders of Spire USA ROC III Fund (AUD)

Opinion

We have audited the financial report of Spire USA ROC III Fund (AUD) (the "Fund") which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, and notes to the financial statements, including material accounting policy information and other explanatory information, and the Directors' declaration.

In our opinion, the accompanying financial report of the the Fund is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Fund's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Fund in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Responsible Entity of the Fund (the "Directors"), would be in the same terms if given to the Directors as at the time of this auditor's report.

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

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The Directors are responsible:

- For the preparation of the financial report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Fund in accordance with Australian Accounting Standards and
- for such internal control as the Directors determine is necessary to enable the preparation of the financial report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial performance of the Fund and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the ability of the Fund to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Fund or to cease operations, or has no realistic alternative but to do so. The directors of the Responsible Entity have determined that the basis of preparation described in Note 2 to the financial report which includes the non-going concern basis of accounting is appropriate.

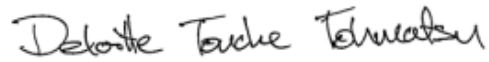
Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the non-going concern basis of accounting. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads "Deloitte Touche Tohmatsu".

DELOITTE TOUCHE TOHMATSU

A handwritten signature in black ink that appears to read "Jonathon Corbett".

Jonathon Corbett
Partner
Chartered Accountants

Melbourne, 13 November 2024