

uXchange

ARSN: 618 455 673

Annual Report

For the year ended 30 June 2024

uXchange

ARSN 618 455 673

Annual report For the year ended 30 June 2024

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This annual report covers uXchange as an individual entity.

The Responsible Entity of uXchange 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 uXchange (the "Scheme"), present their report together with the financial statements of the Scheme for the year ended 30 June 2024.

Principal activities

The Scheme is an IDPS-like scheme that allows members to purchase and sell investments in managed schemes in accordance with the Product Disclosure Statement and the provisions of the Scheme's Constitution. The investments of the Scheme are held in aggregate in the name of the Custodian on behalf of the Scheme and the members are the beneficial owners of the assets of the Scheme.

The Scheme did not have any employees during the year.

There were no significant changes in the nature of the Scheme's activities during the year. The various service providers for the Scheme are detailed below:

Service	Provider
Responsible Entity	Equity Trustees Limited
Administrator	uXchange Pty Ltd
Custodian	Clearstream Australia Limited
Statutory Auditor	Deloitte Touche Tohmatsu

Directors

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

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

Review and results of operations

During the year, the Scheme was offered to members as an investment platform. Members were able to gain an indirect interest in investments they choose from a selected investment menu. The services provided to members included transactional services, administration and reporting on the investments selected by the members in accordance with the Product Disclosure Statement and the provisions of the Scheme's Constitution.

Due to the nature of the Scheme, whereby members have their own specific allocation of investments, the results of each member are reported individually to those members separately.

As all the net income is directly attributable to the members, the Scheme does not pay distributions.

Significant changes in the state of affairs

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.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Scheme that occurred during the year ended 30 June 2024.

Matters subsequent to the end of the financial year

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

- the operations of the Scheme in future financial years;
- the results of those operations in future financial years; or
- the state of affairs of the Scheme in future financial years.

Directors' report (continued)

Likely developments and expected results of operations

The Scheme 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 Scheme's Constitution.

The results of the Scheme's operations will be affected by a number of factors, including the performance of investment markets in which the Scheme 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 Scheme 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 Scheme's Constitution and the Law, the officers remain indemnified out of the assets of the Scheme against losses incurred while acting on behalf of the Scheme.

Indemnification of auditor

The auditor of the Scheme is in no way indemnified out of the assets of the Scheme.

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

Fees paid to the Responsible Entity and its associates out of Scheme assets during the year are disclosed in Note 8 to the financial statements.

No fees were paid out of Scheme assets to the directors of the Responsible Entity during the year.

The number of interests in the Scheme held by the Responsible Entity or its associates as at the end of the financial year are disclosed in Note 8 to the financial statements.

Interests in the Scheme

As the Scheme is an IDPS-like scheme, individual members retain the beneficial ownership in investment assets held in respective portfolios through the Scheme.

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

Rounding of amounts to the nearest thousand dollars

Amounts in the Directors' report have been rounded to the nearest thousand dollars in accordance with *AS/C 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 3.

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
30 September 2024

30 September 2024

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

Dear Board Members,

Auditor's Independence Declaration- uXchange

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 uXchange (the "Scheme").

As lead audit partner for the audit of the financial report of the Scheme for the financial 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



Adam Kuziow
Partner
Chartered Accountants

Statement of comprehensive income

		Year ended	
	Note	30 June 2024	30 June 2023
		\$'000	\$'000
Income			
Distribution income		23,330	15,665
Net gains on financial instruments at fair value through profit or loss		25,843	34,428
Total income/(loss)		49,173	50,093
Expenses			
Management fees		-	-
Transaction costs		214	362
Total expenses		214	362
Profit before finance costs attributable to members for the year		48,959	49,731
Finance costs attributable to members			
Increase in net assets attributable to members	6	(48,959)	(49,731)
Profit/(loss) for the year		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		-	-

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

Statement of financial position

		As at	
	Note	30 June 2024 \$'000	30 June 2023 \$'000
Assets			
Cash and cash equivalents		-	-
Distributions receivable		10,903	7,194
Unsettled trades		524	1,217
Unsettled transfers in from members		843	1,018
Financial assets at fair value through profit or loss	5	570,418	478,641
Total assets		582,688	488,070
Liabilities			
Redemptions payable		1,016	11,083
Unsettled transfers out from members		2	85
Total liabilities (excluding net assets attributable to members)		1,018	11,168
Net assets attributable to members - liability	6	581,670	476,902

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

Statement of changes in equity

	Year ended 30 June 2024 \$'000	30 June 2023 \$'000
Total equity at the beginning of the financial year	-	-
Profit/(loss) for the year Other	-	-
Other comprehensive income	-	
Total comprehensive income	-	-
Transactions with owners in their capacity as owners	-	-
Total equity at the end of the financial year*	-	-

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

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

Statement of cash flows

	Year ended	
	30 June 2024	30 June 2023
	\$'000	\$'000
Cash flows from operating activities		
Proceeds from sale/maturity of financial instruments at fair value through profit or loss	-	-
Purchase of financial instruments at fair value through profit or loss	-	-
Distributions received	-	-
Net cash inflow/(outflow) from operating activities	-	-
Cash flows from financing activities		
Proceeds from applications by members	-	-
Payments for redemptions by members	-	-
Income allocated to members	-	-
Net cash inflow/(outflow) from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	-	-
Cash and cash equivalents at the end of the year	-	-

Note: The above statement of cash flows is \$nil as the Scheme does not hold cash. All cash is held directly by the members.

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

Notes to the financial statements

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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. Net assets attributable to members - liability
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8. Related party transactions
9. Events occurring after the reporting period
10. Contingent assets and liabilities and commitments

Notes to the financial statements

For the year ended 30 June 2024

1. General information

These financial statements cover uXchange (the "Scheme") as an individual entity. The Scheme is an Australian registered managed investment scheme which was constituted on 7 April 2017 and will terminate in accordance with the provisions of the Scheme's Constitution or by Law.

The Responsible Entity of the Scheme 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.

The Scheme is an IDPS-like scheme that allows members to purchase and sell investments in managed Schemes in accordance with the Product Disclosure Statement and the provisions of the Scheme's Constitution. The investments of the Scheme are held in aggregate in the name of the Custodian on behalf of the Scheme and the members are the beneficial owners of the assets of the Scheme.

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. 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 Scheme 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 liabilities and net assets attributable to members.

The Scheme manages financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within 12 months, however, an estimate of that amount cannot be determined as at reporting date.

i. Compliance with International Financial Reporting Standards (IFRS)

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

ii. New and amended standards adopted by the Scheme

The Scheme 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 Scheme'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 Scheme'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.

Notes to the financial statements

For the year ended 30 June 2024

2. Summary of material accounting policies (continued)

a. Basis of preparation (continued)

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 Scheme.

b. Financial instruments

i. *Classification*

Financial assets

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

For unit trusts, 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.

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 (redemption payables).

ii. *Recognition and derecognition*

The Scheme 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 Scheme has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires.

iii. *Measurement*

Financial instruments at fair value through profit or loss

At initial recognition, the Scheme 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 and liabilities 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.

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 according to their classification.

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

Notes to the financial statements

For the year ended 30 June 2024

2. Summary of material accounting policies (continued)

b. Financial instruments (continued)

iv. Impairment

At each reporting date, the Scheme shall measure the loss allowance on financial assets at amortised cost (cash, due from broker 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 Scheme 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 a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. 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.

v. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when the Scheme 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 members

Investor funds are redeemable at the members' option; however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the members. The investor funds are classified as financial liabilities as the Scheme is required to distribute its distributable income in accordance with the Scheme's Constitution.

d. Cash and cash equivalents

The members have a cash management account ("CMA"). The CMA is held outside the Scheme. Accordingly, the Scheme does not prepare a statement of cash flows.

e. Income

Distribution income

Trust distributions are recognised on an entitlement basis.

f. Expenses

Fees are charged to the members in accordance with the Product Disclosure Statement and the provisions of the Schemes Constitution. The Administrator has a standing authority to deduct payments from the members' CMA and pay service providers. Fees include the management fees. As the fees do not pass through the Scheme, they are not disclosed in the statement of comprehensive income, nor is the Scheme liable to pay these fees.

i. Transaction costs

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

g. Income tax

Under current legislation, the Scheme is not subject to income tax as members are presently entitled to the income of the Scheme. Any liability for income tax must be taken up by the members as part of their personal liability for tax.

The Scheme is not subject to capital gains tax.

h. Distributions

As all net income is attributable to the members, the Scheme does not pay distributions.

Notes to the financial statements

For the year ended 30 June 2024

2. Summary of material accounting policies (continued)

i. Increase/decrease in net assets attributable to members

Income not distributed is included in net assets attributable to members. Movements in net assets attributable to members are recognised in the statement of comprehensive income as finance costs.

j. Foreign currency translation

i. Functional and presentation currency

Balances included in the Scheme'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 Scheme competes for Schemes and is regulated. The Australian dollar is also the Scheme'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.

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

k. Unsettled trades

Unsettled trades represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the year. The unsettled trades balance is held for collection and are recognised initially at fair value and subsequently measured at amortised cost.

l. Receivables

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

m. Payables

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

n. Applications and redemptions

Application money is deposited directly into the member's Cash Management Account (CMA). No units are issued by the Scheme. The CMAs are held outside the Scheme. The administrator transfers funds from the member's CMA to the Custodian in order to make their investment in selected managed funds. Payment of redemptions may be made in cash or via transfer of investments in-specie.

o. Use of estimates

The Scheme makes estimates and assumptions that affect the reported amounts of assets and liabilities within the current and next financial year. Estimates 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.

For the majority of the Scheme's financial instruments, quoted market prices are readily available. However, certain financial instruments, for example over-the-counter derivatives or unquoted securities, are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Manager.

Notes to the financial statements

For the year ended 30 June 2024

2. Summary of material accounting policies (continued)

o. Use of estimates (continued)

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations, require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

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

p. Rounding of amounts

The Scheme 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 thousand dollars unless otherwise indicated.

3. Financial risk management

The investments of the Scheme are held in aggregate in the name of the Custodian on behalf of the Scheme and the members are the beneficial owners of the assets of the Scheme.

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

Concentrations of risk arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

The individual members are responsible for identifying and controlling the risks that arise from their investments. As the Scheme is an IDPS-like scheme, it's the responsibility of each individual member to manage their own concentrations of risk. The Scheme does not have any externally imposed capital requirements.

The Scheme 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 Scheme is exposed to price risk on unlisted unit trusts. Price risk arises from investments held by the members for which prices in the future are uncertain.

The table at Note 3.b summarises the sensitivities of the members total direct investments to price risk. The analysis is based on the assumption that the markets in which the members invest moves by +/- 10% (2023: +/-10%).

ii. Foreign exchange risk

Foreign exchange risk is the risk that the value of monetary securities denominated in currencies other than the Australian dollar will fluctuate due to changes in exchange rates. There was no significant foreign exchange risk in the Scheme as at 30 June 2024 (2023: nil).

iii. Cash flow and fair value interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

There was no significant direct interest rate risk in the Scheme as at 30 June 2024 (2023: nil).

Notes to the financial statements

For the year ended 30 June 2024

3. Financial risk management (continued)

b. Summarised sensitivity analysis

The following table demonstrates the impact of a 10% movement in unlisted unit trusts. This sensitivity analysis has been performed to assess the total members' direct risk of holding unlisted unit trusts. It is assumed that the relevant change occurs at the balance date.

	Impact on net assets attributable to members	
	Price risk	
	+10% \$'000	-10% \$'000
As at 30 June 2024	57,042	(57,042)
As at 30 June 2023	47,864	(47,864)

c. Credit risk

Credit risk, 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 Scheme.

There was no significant direct credit risk in the Scheme as at 30 June 2024 (2023: nil).

d. Liquidity risk

Liquidity risk is the risk that the Scheme 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.

Exposure to liquidity risk for the Scheme is low due to members holding their own specific investments.

i. Maturities of non-derivative financial liabilities

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

4. Fair value measurement

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

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

a. Fair value in an inactive or unquoted market (level 2)

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all material inputs required to fair value an instrument are observable, the instrument is included in level 2.

Notes to the financial statements

For the year ended 30 June 2024

4. Fair value measurement (continued)

a. Fair value in an inactive or unquoted market (level 2) (continued)

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Scheme holds.

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

b. Recognised fair value measurements

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 30 June 2024				
Financial assets				
Unlisted unit trusts	-	570,418	-	570,418
Total financial assets	-	570,418	-	570,418
As at 30 June 2023				
Financial assets				
Unlisted unit trusts	-	478,641	-	478,641
Total financial assets	-	478,641	-	478,641

c. Transfer 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. Financial instruments not carried at fair value

The carrying value of receivables and payables are assumed to approximate their fair values.

5. Financial assets at fair value through profit or loss

	As at	
	30 June 2024 \$'000	30 June 2023 \$'000
Unlisted unit trusts	570,418	478,641
Total financial assets at fair value through profit or loss	570,418	478,641

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.

Notes to the financial statements

For the year ended 30 June 2024

6. Net assets attributable to members - liability

The Scheme's investor funds are classified as a liability as they do not meet the definition of a financial instrument to be classified as equity.

All of the below transactions are non-cash financing and investing activities of the Scheme as contemplated by AASB 107 *Statement of Cash Flows*.

Movements in net assets attributable to members during the year were as follows:

	Year ended 30 June 2024	30 June 2023
	\$'000	\$'000
Opening balance	476,902	772,674
Applications	205,446	251,500
Contributions in kind (in specie)	28,038	40,320
Redemptions	(134,119)	(168,154)
Withdrawals in kind (in specie)	(24,169)	(442,192)
Reinvestment of distributions	21	73
Increase in net assets attributable to members	48,959	49,731
Income allocated to members	(19,408)	(27,050)
Closing balance	581,670	476,902

7. Remuneration of auditors

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

	Year ended 30 June 2024	30 June 2023
	\$	\$
Deloitte Touche Tohmatsu		
Audit and other assurance services		
Audit and review of the financial statements	28,500	25,220
Review of internal controls and annual investor statements	18,637	18,550
Total remuneration for audit and other assurance services	47,137	43,770
Total remuneration of Deloitte Touche Tohmatsu	47,137	43,770
PricewaterhouseCoopers		
Audit and other assurance services		
Audit of the compliance plan	2,400	2,346
Total remuneration for audit and other assurance services	2,400	2,346
Total remuneration of PricewaterhouseCoopers	2,400	2,346

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

Notes to the financial statements

For the year ended 30 June 2024

8. Related party transactions

The Responsible Entity of uXchange 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 uXchange Pty Ltd to act as Administrator for the Scheme, and Clearstream Australia Limited as Custodian for the Scheme. The contracts are on normal commercial terms and conditions.

a. Key management personnel

i. Directors

Key management personnel include persons who were directors of Equity Trustees Limited at any time during or since the end of the financial year and up to the date of this report.

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

ii. Other key management personnel

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

b. Transactions with key management personnel

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

c. Key management personnel unit holdings

Key management personnel did not hold investor funds in the Scheme as at 30 June 2024 (2023: \$nil).

d. Key management personnel compensation

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

e. Key management personnel loans

The Scheme 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 Scheme

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

g. Responsible Entity fees, Administrator fees and other transactions

Under the terms of the Scheme's Constitution and Product Disclosure Statement for the Scheme, the Responsible Entity and the Administrator are entitled to receive management fees.

Fees are charged to the members in accordance with the Product Disclosure Statements and the Provisions of the Scheme's Constitution. The Administrator has a standing authority to deduct payments from the members' CMAs and who in turn provides on payments to the respective service providers.

No Responsible Entity and administration fees were paid by the Scheme during the year (2023: nil).

Equity Trustees Limited earned \$144,000 (2023: \$140,731) for Responsible Entity Services to the Scheme. These fees were paid by the Administrator of the Scheme, uXchange Pty Ltd.

Notes to the financial statements

For the year ended 30 June 2024

8. Related party transactions (continued)

h. Related party unit holdings

Parties related to the Scheme (including Equity Trustees Limited, its related parties and other schemes managed by Equity Trustees Limited, and the Administrator held no investments in the Scheme as at 30 June 2024 (2023: nil).

i. Investments

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

9. Events occurring after the reporting period

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

10. Contingent assets and liabilities and commitments

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

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- a. The financial statements and notes set out on pages 4 to 18 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 Scheme'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 Scheme 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
30 September 2024

Independent Auditor's Report to the Members of uXchange

Opinion

We have audited the financial report of uXchange (the "Scheme") 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, 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 Scheme is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Scheme'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 Scheme 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 Scheme (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 of Equity Trustees Limited (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 Scheme 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 position and performance of the Scheme, 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 Scheme 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 Scheme or to cease operations, or has no realistic alternative but to do so.

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 Scheme'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 going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.
- 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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Adam Kuziow

Adam Kuziow
Partner
Chartered Accountants

Melbourne, 30 September 2024