

# PERPETUAL WHOLESALE FUNDS

ANNUAL FINANCIAL REPORT  
30 JUNE 2020

Perpetual Investment Management Limited  
ABN 18 000 866 535 AFSL 234426

Perpetual 

# Perpetual Wholesale Funds Annual Financial Report 30 June 2020

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## Directors' report

The directors of Perpetual Investment Management Limited (a wholly owned subsidiary of Perpetual Limited), the Responsible Entity of Perpetual Wholesale Funds, present their report together with the annual financial report of Perpetual Wholesale Funds (the Schemes) for the year ended 30 June 2020 and the auditor's report thereon.

The following are the Schemes included within this report:

<b>Statutory Name</b>	<b>Referred to in this document as</b>	<b>ARSN</b>
Perpetual Dynamic Fixed Income Fund	"Wholesale Dynamic Fixed Income Fund"	147 094 415
Perpetual Income Share Fund	"Wholesale Income Share Fund"	093 446 256
Perpetual Australian Share Fund	"Wholesale Australian Share Fund"	091 189 132
Perpetual Concentrated Equity Fund	"Wholesale Concentrated Equity Fund"	091 185 590
Perpetual Ethical SRI Fund	"Wholesale Ethical SRI Fund"	099 975 041
Perpetual Geared Australian Share Fund	"Wholesale Geared Australian Share Fund"	103 864 688
Perpetual Wholesale Industrial Fund	"Wholesale Industrial Share Fund"	091 187 049
Perpetual Wholesale International Share Fund	"Wholesale International Share Fund"	091 186 837
Perpetual SHARE-PLUS Long-Short Fund	"Wholesale SHARE-PLUS Long-Short Fund"	103 864 937
Perpetual Smaller Companies Fund	"Wholesale Smaller Companies Fund"	091 188 082
Perpetual Wholesale Smaller Companies Fund No. 2	"Wholesale Smaller Companies Fund No. 2"	110 147 503
Perpetual Conservative Growth Fund	"Wholesale Conservative Growth Fund"	105 779 628
Perpetual Diversified Growth Fund	"Wholesale Diversified Growth Fund"	098 429 746
Perpetual Balanced Growth Fund	"Wholesale Balanced Growth Fund"	091 187 601
Perpetual Split Growth Fund	"Wholesale Split Growth Fund"	091 185 438
Perpetual Global Share Fund	"Wholesale Global Share Fund"	601 199 035
Perpetual Global Share Fund Hedged*	"Wholesale Global Share Fund Hedged"	608 416 771
Perpetual Diversified Real Return Fund	"Diversified Real Return Fund"	146 128 181
Perpetual Ethical SRI Credit Fund	"Ethical SRI Credit Fund"	625 524 138

## Responsible Entity

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

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

## **Directors' report (continued)**

### **Directors**

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

A Apted (appointed 9 April 2020)  
A Gazal (appointed 9 April 2020)  
D Lane (appointed 20 April 2017)  
R Adams (appointed 17 October 2018, resigned 9 April 2020)  
C Green (appointed 17 October 2018, resigned 9 April 2020)

### **Principal activities**

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

The objectives and investment strategy of the Schemes are disclosed in the Perpetual Wholesale Funds' Product Disclosure Statement.

The Schemes did not have any employees during the year.

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

### **Review and results of operations**

During the year, the Schemes' assets were invested in accordance with the investment objectives and guidelines set out in the governing documents of the Schemes and in accordance with the provisions of the Schemes' Constitution.

**Directors' report (continued)**

**Review and results of operations (continued)**

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

	<b>Wholesale Dynamic Fixed Income Fund</b>		<b>Wholesale Income Share Fund</b>		<b>Wholesale Australian Share Fund</b>		<b>Wholesale Concentrated Equity Fund</b>		<b>Wholesale Ethical SRI Fund</b>	
	<b>30 June 2020 \$'000</b>	30 June 2019 \$'000	<b>30 June 2020 \$'000</b>	30 June 2019 \$'000	<b>30 June 2020 \$'000</b>	30 June 2019 \$'000	<b>30 June 2020 \$'000</b>	30 June 2019 \$'000	<b>30 June 2020 \$'000</b>	30 June 2019 \$'000
Operating profit/(loss)	<b>401</b>	1,236	<b>(17,936)</b>	8,903	<b>(82,303)</b>	55,780	<b>(106,800)</b>	35,419	<b>(68,203)</b>	(20,958)
Distributions paid and payable	<b>676</b>	852	<b>4,982</b>	9,220	<b>28,215</b>	58,992	<b>24,349</b>	98,835	<b>26,558</b>	44,344
Distributions (cents per unit)	<b>2.67</b>	3.91	<b>3.70</b>	6.95	<b>4.32</b>	7.77	<b>4.58</b>	17.60	<b>6.17</b>	7.54
	<b>Wholesale Geared Australian Share Fund</b>		<b>Wholesale Industrial Share Fund</b>		<b>Wholesale International Share Fund</b>		<b>Wholesale SHARE-PLUS Long-Short Fund</b>		<b>Wholesale Smaller Companies Fund</b>	
	<b>30 June 2020 \$'000</b>	30 June 2019 \$'000	<b>30 June 2020 \$'000</b>	30 June 2019 \$'000	<b>30 June 2020 \$'000</b>	30 June 2019 \$'000	<b>30 June 2020 \$'000</b>	30 June 2019 \$'000	<b>30 June 2020 \$'000</b>	30 June 2019 \$'000
Operating profit/(loss)	<b>(163,281)</b>	57,900	<b>(166,202)</b>	69,953	<b>(4,637)</b>	11,621	<b>(59,049)</b>	23,817	<b>14,594</b>	6,414
Distributions paid and payable	<b>35,734</b>	77,159	<b>46,382</b>	80,803	<b>790</b>	2,921	<b>36,533</b>	54,359	<b>29,616</b>	33,680
Distributions (cents per unit)	<b>14.93</b>	32.30	<b>3.92</b>	5.90	<b>1.74</b>	5.54	<b>10.68</b>	12.00	<b>6.01</b>	4.74

**Directors' report (continued)**

**Review and results of operations (continued)**

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

	<b>Wholesale Smaller Companies Fund No.2</b>		<b>Wholesale Conservative Growth Fund</b>		<b>Wholesale Diversified Growth Fund</b>		<b>Wholesale Balanced Growth Fund</b>		<b>Wholesale Split Growth Fund</b>	
	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
Operating profit/(loss)	<b>914</b>	920	<b>1,795</b>	25,462	<b>(844)</b>	8,828	<b>(14,473)</b>	51,625	<b>(2,505)</b>	3,866
Distributions paid and payable	<b>1,958</b>	2,830	<b>13,270</b>	16,117	<b>4,741</b>	6,581	<b>37,541</b>	57,714	<b>1,511</b>	4,199
Distributions (cents per unit)	<b>1.80</b>	2.24	<b>4.55</b>	5.26	<b>5.19</b>	6.68	<b>9.19</b>	12.95	<b>4.63</b>	12.14
	<b>Wholesale Global Share Fund - Class W</b>		<b>Wholesale Global Share Fund - Class A</b>		<b>Wholesale Global Share Fund Hedged - Class W *</b>		<b>Wholesale Global Share Fund Hedged - Class A*</b>			
	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019		
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000		
Operating profit/(loss)	<b>(21,255)</b>	61,493	-	-	<b>(1,431)</b>	1,309	-	-		
Distributions paid and payable	<b>11,620</b>	27,808	<b>7,684</b>	20,738	<b>168</b>	-	<b>724</b>	-		
Distributions (cents per unit)	<b>7.12</b>	14.75	<b>3.69</b>	9.77	<b>3.38</b>	-	<b>2.38</b>	-		
	<b>Diversified Real Return Fund - Class W</b>		<b>Diversified Real Return Fund - Class Z</b>		<b>Ethical SRI Credit Fund - Class W</b>		<b>Ethical SRI Credit Fund - Class A</b>			
	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	For the period 23 April 2018 to 30 June 2019	<b>30 June 2020</b>	For the period 23 April 2018 to 30 June 2019		
	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000		
Operating profit/(loss)	<b>2,382</b>	23,376	-	-	<b>(37)</b>	754	-	-		
Distributions paid and payable	<b>22,511</b>	15,802	<b>2,658</b>	379	-	-	<b>554</b>	752		
Distributions (cents per unit)	<b>5.29</b>	3.86	<b>5.28</b>	3.57	-	-	<b>1.49</b>	2.84		

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

## **Directors' report (continued)**

### **Review and results of operations (continued)**

The rapid spread of the coronavirus (COVID-19) across the globe has led to unprecedented economic times and governments taking extreme measures to limit the spread of the virus. This has resulted in significant volatility in global and local capital markets which has been reflected in the valuation of the Schemes' investment portfolios and their financial results for the year ended 30 June 2020.

### **Interests in the Schemes**

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

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

### **Significant changes in state of affairs**

Due to the significant volatility in the markets as a consequence of COVID-19 pandemic, the Wholesale Geared Australian Share Fund and the Wholesale SHARE-PLUS Long Short Fund breached their debt covenants associated with their bank overdraft and lending of securities facilities respectively. This is discussed in more detail in note 12 to the financial statements.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Schemes that occurred during the financial year under review.

### **Likely developments and expected results of operations**

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

### **Matters subsequent to the end of the financial year**

On 26 July 2020 the Responsible Entity resolved and approved that winding up of the Perpetual Wholesale Global Share Fund Hedged was in the best interests of its unitholders as the Perpetual Wholesale Global Share Fund Hedged had not attained the scale required for it to remain viable, particularly in terms of investment and operating cost efficiencies. The Responsible Entity have paid the final return of capital to unitholders on 7 September 2020. The Perpetual Wholesale Global Share Fund Hedged's wind-up commenced on 27 July 2020 and was formally wound up on 4 September 2020. Accordingly the financial statements for the Perpetual Wholesale Global Share Fund Hedged for the financial year ended 30 June 2020 have been prepared on a basis other than going concern.

The Wholesale Geared Australian Share Fund and the Wholesale SHARE-PLUS Long Short Fund breached their debt covenants associated with their bank overdraft and lending of securities facilities respectively. The Responsible Entity obtained a waiver letter from the bank for the breach of these covenants for the period of 1 March 2020 to 22 September 2020. Following the signing of these financial statements the covenant tests are reset and therefore the Schemes will be in compliance with their debt covenants.

The uncertainty around COVID-19 is expected to continue to present social and economic challenges in the next financial year and the resulting impact on the capital markets remains uncertain. Since the reporting date, there have been no significant changes in the valuation of the Schemes' investment portfolios arising from the changes in the estimates and assumptions in relation to COVID-19. The Responsible Entity is closely monitoring the liquidity of the Schemes and any impact on the valuation of the Schemes' investment portfolios.

## **Directors' report (continued)**

The Responsible Entity appointed specialist investment manager Barrow, Hanley, Mewhinney & Strauss, LLC (Barrow Hanley) to manage both the Wholesale International Share Fund and Wholesale Global Share Fund in accordance with the terms of the executed Investment Management Agreement dated 31 August 2020.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect:

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

Environmental regulation

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

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

Fees paid to the Responsible Entity and its related parties out of Schemes' properties during the year are disclosed in note 15 to the financial statements.

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

The number of interests in the Schemes held by the Responsible Entity or its associates as at the end of the financial year are disclosed in note 15 to the financial statements.

### **Indemnification and insurance of officers and auditors**

No insurance premiums are paid for out of the assets of the Schemes in regards to insurance cover provided to either the officers of Perpetual Investment Management Limited or the auditor of the Schemes. So long as the officers of Perpetual Investment Management Limited act in accordance with the Schemes' Constitutions and the law, the officers remain indemnified out of the assets of the Schemes against losses incurred while acting on behalf of the Schemes. The auditor of the Schemes is in no way indemnified out of the assets of the Schemes.

### **Rounding of amounts to the nearest thousand dollars**

The Schemes are entities of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. Amounts in the directors' report and financial report have been rounded to the nearest thousand dollars in accordance with the legislative instrument, unless otherwise indicated.

### **Financial statements presentation**

The Schemes are entities of the kind referred to in *ASIC Corporations (Related Scheme Reports) Instrument 2015/839*. In accordance with the legislative instrument, registered schemes with common Responsible Entity (or related Responsible Entities) are permitted to include their financial statements in adjacent columns in a single set of financial report.

**Directors' report (continued)**

**Lead auditor's independence declaration**

A copy of the lead auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 8.

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



Director

Sydney  
23 September 2020



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

To the Directors of Perpetual Investment Management Limited as the Responsible Entity of the following Schemes:

Perpetual Dynamic Fixed Income Fund;	Perpetual Wholesale Smaller Companies Fund No.2;
Perpetual Income Share Fund;	Perpetual Conservative Growth Fund;
Perpetual Australian Share Fund;	Perpetual Diversified Growth Fund;
Perpetual Concentrated Equity Fund;	Perpetual Balanced Growth Fund;
Perpetual Ethical SRI Fund;	Perpetual Split Growth Fund;
Perpetual Geared Australian Share Fund;	Perpetual Global Share Fund;
Perpetual Wholesale Industrial Fund;	Perpetual Global Share Fund Hedged;
Perpetual Wholesale International Share Fund;	Perpetual Diversified Real Return Fund; and
Perpetual SHARE-PLUS Long-Short Fund;	Perpetual Ethical SRI Credit Fund.
Perpetual Smaller Companies Fund;	

I declare that, to the best of my knowledge and belief, in relation to the audits of the Schemes for the financial year ended 30 June 2020 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audits; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audits.

KPMG

Jessica Davis  
Partner  
Sydney  
23 September 2020

**Perpetual Wholesale Funds**  
**Statements of comprehensive income**  
**For the year ended 30 June 2020**

**Statements of comprehensive income**

	Notes	Wholesale Dynamic Fixed Income Fund		Wholesale Income Share Fund		Wholesale Australian Share Fund		Wholesale Concentrated Equity Fund		Wholesale Ethical SRI Fund	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>											
Dividend/distribution income		591	902	6,736	10,231	44,143	78,414	31,034	55,908	33,951	47,563
Interest income	3	14	15	66	153	-	-	46	68	525	1,355
Net gains/(losses) on financial instruments at fair value through profit or loss	4	(197)	322	(22,932)	317	(126,451)	(22,638)	(128,528)	(9,166)	(92,063)	(53,083)
Net foreign exchange gains/(losses)		-	-	-	-	-	-	-	(40)	158	(323)
Other income		-	-	101	-	5	4	296	5	790	151
<b>Total net investment income/(loss)</b>		<b>408</b>	<b>1,239</b>	<b>(16,029)</b>	<b>10,701</b>	<b>(82,303)</b>	<b>55,780</b>	<b>(97,152)</b>	<b>46,775</b>	<b>(56,639)</b>	<b>(4,337)</b>
<b>Expenses</b>											
Responsible Entity's fees	15	7	3	1,548	1,543	-	-	8,090	9,753	9,894	13,723
Other operating expenses	5	-	-	359	255	-	-	1,558	1,603	1,670	2,898
<b>Total expenses</b>		<b>7</b>	<b>3</b>	<b>1,907</b>	<b>1,798</b>	<b>-</b>	<b>-</b>	<b>9,648</b>	<b>11,356</b>	<b>11,564</b>	<b>16,621</b>
<b>Operating profit/(loss)</b>		<b>401</b>	<b>1,236</b>	<b>(17,936)</b>	<b>8,903</b>	<b>(82,303)</b>	<b>55,780</b>	<b>(106,800)</b>	<b>35,419</b>	<b>(68,203)</b>	<b>(20,958)</b>
<b>Finance costs attributable to unitholders</b>											
Interest expense		-	-	-	-	-	-	-	-	-	1
<b>Profit/(loss)</b>		<b>401</b>	<b>1,236</b>	<b>(17,936)</b>	<b>8,903</b>	<b>(82,303)</b>	<b>55,780</b>	<b>(106,800)</b>	<b>35,419</b>	<b>(68,203)</b>	<b>(20,959)</b>
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>		<b>401</b>	<b>1,236</b>	<b>(17,936)</b>	<b>8,903</b>	<b>(82,303)</b>	<b>55,780</b>	<b>(106,800)</b>	<b>35,419</b>	<b>(68,203)</b>	<b>(20,959)</b>

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

Perpetual Wholesale Funds  
Statements of comprehensive income  
For the year ended 30 June 2020  
(continued)

Statements of comprehensive income

	Notes	Wholesale Geared Australian Share Fund		Wholesale Industrial Share Fund		Wholesale International Share Fund		Wholesale SHARE-PLUS Long-Short Fund		Wholesale Smaller Companies Fund	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Investment income</b>											
Dividend/distribution income		41,872	75,791	147,277	177,793	4,596	10,465	40,859	69,526	23,771	39,147
Interest income	3	11	104	-	-	-	-	446	344	48	74
Net gains/(losses) on financial instruments at fair value through profit or loss	4	(191,031)	(1,692)	(298,119)	(89,592)	(7,878)	2,658	(71,356)	(12,883)	1,217	(20,055)
Net foreign exchange gains/(losses)		(917)	(87)	-	-	-	-	7	(540)	-	-
Gains/(losses) from short selling		-	-	-	-	-	-	(8,263)	(7,035)	-	-
Other income		1,222	-	1	1	-	-	472	3	21	107
<b>Total net investment income/(loss)</b>		<b>(148,843)</b>	74,116	<b>(150,841)</b>	88,202	<b>(3,282)</b>	13,123	<b>(37,835)</b>	49,415	<b>25,057</b>	19,273
<b>Expenses</b>											
Responsible Entity's fees	15	11,306	13,656	15,361	18,249	1,355	1,502	13,556	17,406	8,205	10,696
Short selling expenses		-	-	-	-	-	-	2,003	2,807	-	-
Other operating expenses	5	3,132	2,560	-	-	-	-	5,655	5,385	2,258	2,163
<b>Total expenses</b>		<b>14,438</b>	16,216	<b>15,361</b>	18,249	<b>1,355</b>	1,502	<b>21,214</b>	25,598	<b>10,463</b>	12,859
<b>Operating profit/(loss)</b>		<b>(163,281)</b>	57,900	<b>(166,202)</b>	69,953	<b>(4,637)</b>	11,621	<b>(59,049)</b>	23,817	<b>14,594</b>	6,414
<b>Finance costs attributable to unitholders</b>											
Interest expense		6,984	14,739	-	-	-	-	306	123	-	-
<b>Profit/(loss)</b>		<b>(170,265)</b>	43,161	<b>(166,202)</b>	69,953	<b>(4,637)</b>	11,621	<b>(59,355)</b>	23,694	<b>14,594</b>	6,414
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>		<b>(170,265)</b>	43,161	<b>(166,202)</b>	69,953	<b>(4,637)</b>	11,621	<b>(59,355)</b>	23,694	<b>14,594</b>	6,414

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

Perpetual Wholesale Funds  
Statements of comprehensive income  
For the year ended 30 June 2020  
(continued)

Statements of comprehensive income

	Notes	Wholesale Smaller Companies Fund No.2		Wholesale Conservative Growth Fund		Wholesale Diversified Growth Fund		Wholesale Balanced Growth Fund		Wholesale Split Growth Fund	
		30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
<b>Investment income</b>											
Dividend/distribution income		3,658	3,357	12,396	17,973	4,308	6,816	27,103	42,996	2,759	5,346
Interest income	3	-	-	244	620	85	171	-	-	-	-
Net gains/(losses) on financial instruments at fair value through profit or loss	4	(2,744)	(2,438)	(7,404)	9,583	(4,023)	2,754	(41,585)	8,622	(4,789)	(981)
Net foreign exchange gains/(losses)		-	-	(482)	113	(235)	56	-	-	-	-
Other income		-	1	8	27	3	48	9	7	-	-
<b>Total net investment income/(loss)</b>		<b>914</b>	<b>920</b>	<b>4,762</b>	<b>28,316</b>	<b>138</b>	<b>9,845</b>	<b>(14,473)</b>	<b>51,625</b>	<b>(2,030)</b>	<b>4,365</b>
<b>Expenses</b>											
Responsible Entity's fees	15	-	-	1,590	1,562	520	574	-	-	475	499
Other operating expenses	5	-	-	1,377	1,292	462	443	-	-	-	-
<b>Total expenses</b>		<b>-</b>	<b>-</b>	<b>2,967</b>	<b>2,854</b>	<b>982</b>	<b>1,017</b>	<b>-</b>	<b>-</b>	<b>475</b>	<b>499</b>
<b>Operating profit/(loss)</b>		<b>914</b>	<b>920</b>	<b>1,795</b>	<b>25,462</b>	<b>(844)</b>	<b>8,828</b>	<b>(14,473)</b>	<b>51,625</b>	<b>(2,505)</b>	<b>3,866</b>
<b>Finance costs attributable to unitholders</b>											
Interest expense		-	-	-	11	10	5	-	-	-	-
<b>Profit/(loss)</b>		<b>914</b>	<b>920</b>	<b>1,795</b>	<b>25,451</b>	<b>(854)</b>	<b>8,823</b>	<b>(14,473)</b>	<b>51,625</b>	<b>(2,505)</b>	<b>3,866</b>
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>		<b>914</b>	<b>920</b>	<b>1,795</b>	<b>25,451</b>	<b>(854)</b>	<b>8,823</b>	<b>(14,473)</b>	<b>51,625</b>	<b>(2,505)</b>	<b>3,866</b>

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

**Perpetual Wholesale Funds**  
**Statements of comprehensive income**  
**For the year ended 30 June 2020**  
**(continued)**

**Statements of comprehensive income**

	Notes	Wholesale Global Share Fund		Wholesale Global Share Fund Hedged*		Diversified Real Return Fund		Ethical SRI Credit Fund	
		30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	For the period 23 April 2018 to 30 June 2019 \$'000
<b>Investment income</b>									
Dividend/distribution income		7,202	17,149	1,568	2,041	16,196	23,479	-	-
Interest income	3	464	844	-	-	102	287	1,063	1,046
Net gains/(losses) on financial instruments at fair value through profit or loss	4	(24,048)	47,379	(2,634)	(714)	(7,256)	5,015	(676)	(32)
Net foreign exchange gains/(losses)		1,314	2,085	(157)	190	(760)	359	(39)	5
Other income		-	93	-	-	189	68	6	6
<b>Total net investment income/(loss)</b>		<b>(15,068)</b>	<b>67,550</b>	<b>(1,223)</b>	<b>1,517</b>	<b>8,471</b>	<b>29,208</b>	<b>354</b>	<b>1,025</b>
<b>Expenses</b>									
Responsible Entity's fees	15	3,091	2,961	208	208	2,526	2,038	261	195
Other operating expenses	5	3,096	3,096	-	-	3,563	3,794	130	76
<b>Total expenses</b>		<b>6,187</b>	<b>6,057</b>	<b>208</b>	<b>208</b>	<b>6,089</b>	<b>5,832</b>	<b>391</b>	<b>271</b>
<b>Operating profit/(loss)</b>		<b>(21,255)</b>	<b>61,493</b>	<b>(1,431)</b>	<b>1,309</b>	<b>2,382</b>	<b>23,376</b>	<b>(37)</b>	<b>754</b>
<b>Finance costs attributable to unitholders</b>									
Distributions to unitholders	6	19,304	48,546	892	-	25,169	16,181	554	752
Interest expense		56	66	-	-	88	11	-	1
Changes in net assets attributable to unitholders	7	(40,615)	12,881	(2,323)	1,309	(22,875)	7,184	(591)	1
<b>Profit/(loss)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

**Perpetual Wholesale Funds**  
**Balance sheets**  
**As at 30 June 2020**

**Balance sheets**

		<b>Wholesale Dynamic Fixed Income Fund</b>		<b>Wholesale Income Share Fund</b>		<b>Wholesale Australian Share Fund</b>		<b>Wholesale Concentrated Equity Fund</b>		<b>Wholesale Ethical SRI Fund</b>	
	Notes	<b>30 June 2020 \$'000</b>	30 June 2019 \$'000	<b>30 June 2020 \$'000</b>	30 June 2019 \$'000	<b>30 June 2020 \$'000</b>	30 June 2019 \$'000	<b>30 June 2020 \$'000</b>	30 June 2019 \$'000	<b>30 June 2020 \$'000</b>	30 June 2019 \$'000
<b>Assets</b>											
Cash and cash equivalents	13(b)	<b>850</b>	648	<b>4,702</b>	14,764	-	-	<b>12,170</b>	2,582	<b>55,762</b>	110,458
Financial assets at fair value through profit or loss	8	<b>30,005</b>	19,029	<b>136,259</b>	153,315	<b>692,706</b>	954,791	<b>591,823</b>	862,945	<b>642,736</b>	936,105
Receivables for securities sold		-	-	<b>574</b>	266	<b>374</b>	778	<b>1,600</b>	1,009	-	2,139
Receivables	10	<b>201</b>	393	<b>823</b>	802	<b>25,694</b>	42,418	<b>963</b>	2,242	<b>2,304</b>	4,565
<b>Total assets</b>		<b>31,056</b>	20,070	<b>142,358</b>	169,147	<b>718,774</b>	997,987	<b>606,556</b>	868,778	<b>700,802</b>	1,053,267
<b>Liabilities</b>											
Distributions payable to unitholders of the Schemes	6	<b>159</b>	353	<b>959</b>	2,303	<b>12,344</b>	39,292	<b>10,924</b>	77,749	<b>13,088</b>	17,964
Payables for securities purchased		-	-	-	3,884	<b>34</b>	128	-	4,193	<b>1,184</b>	856
Payables	11	<b>37</b>	14	<b>133</b>	507	<b>396</b>	778	<b>1,175</b>	1,529	<b>1,366</b>	2,946
<b>Total liabilities</b>		<b>196</b>	367	<b>1,092</b>	6,694	<b>12,774</b>	40,198	<b>12,099</b>	83,471	<b>15,638</b>	21,766
<b>Net assets attributable to unitholders - equity</b>	7	<b>30,860</b>	19,703	<b>141,266</b>	162,453	<b>706,000</b>	957,789	<b>594,457</b>	785,307	<b>685,164</b>	1,031,501

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

Perpetual Wholesale Funds  
Balance sheets  
As at 30 June 2020  
(continued)

Balance sheets

	Notes	Wholesale Geared Australian Share Fund		Wholesale Industrial Share Fund		Wholesale International Share Fund		Wholesale SHARE-PLUS Long-Short Fund		Wholesale Smaller Companies Fund	
		30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
<b>Assets</b>											
Cash and cash equivalents	13(b)	371	4,654	-	-	-	-	35,975	136,222	10,336	3,464
Financial assets at fair value through profit or loss	8	632,178	1,213,977	1,187,405	1,626,733	93,961	112,407	897,705	1,283,198	547,433	789,586
Receivables for securities sold		3,399	6,630	464	1,986	118	65	2,053	14,766	301	151
Receivables	10	1,561	3,031	107,129	125,410	3,975	9,908	2,991	4,628	1,899	2,372
<b>Total assets</b>		<b>637,509</b>	<b>1,228,292</b>	<b>1,294,998</b>	<b>1,754,129</b>	<b>98,054</b>	<b>122,380</b>	<b>938,724</b>	<b>1,438,814</b>	<b>559,969</b>	<b>795,573</b>
<b>Liabilities</b>											
Bank overdraft	12,13(b)	272,368	641,462	-	-	-	-	-	-	-	-
Financial liabilities at fair value through profit or loss	9	-	27	-	-	-	-	171,857	252,778	-	-
Distributions payable to unitholders of the Schemes	6	15,665	54,835	16,621	40,089	743	2,921	16,225	33,059	20,218	13,292
Payables for securities purchased		54,088	34,121	150	491	1	23	425	20,517	2,263	19,524
Interest payable	12	122	929	-	-	-	-	-	-	-	-
Payables	11	1,092	2,315	2,039	2,516	232	197	3,037	3,928	1,179	1,894
<b>Total liabilities</b>		<b>343,335</b>	<b>733,689</b>	<b>18,810</b>	<b>43,096</b>	<b>976</b>	<b>3,141</b>	<b>191,544</b>	<b>310,282</b>	<b>23,660</b>	<b>34,710</b>
<b>Net assets attributable to unitholders - equity</b>	7	<b>294,174</b>	<b>494,603</b>	<b>1,276,188</b>	<b>1,711,033</b>	<b>97,078</b>	<b>119,239</b>	<b>747,180</b>	<b>1,128,532</b>	<b>536,309</b>	<b>760,863</b>

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

Perpetual Wholesale Funds  
Balance sheets  
As at 30 June 2020  
(continued)

Balance sheets

	Notes	Wholesale Smaller Companies Fund No.2		Wholesale Conservative Growth Fund		Wholesale Diversified Growth Fund		Wholesale Balanced Growth Fund		Wholesale Split Growth Fund	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>											
Cash and cash equivalents	13(b)	-	-	6,639	6,485	5,458	3,487	-	-	-	-
Financial assets at fair value through profit or loss	8	66,153	80,341	328,036	355,999	97,366	111,799	536,578	643,282	37,418	44,269
Receivables for securities sold		45	-	70	-	32	350	340	841	42	10
Receivables	10	2,502	1,433	7,003	11,606	2,608	4,662	25,739	34,068	2,270	4,781
<b>Total assets</b>		<b>68,700</b>	<b>81,774</b>	<b>341,748</b>	<b>374,090</b>	<b>105,464</b>	<b>120,298</b>	<b>562,657</b>	<b>678,191</b>	<b>39,730</b>	<b>49,060</b>
<b>Liabilities</b>											
Financial liabilities at fair value through profit or loss	9	-	-	2,456	3,844	844	1,284	-	-	-	-
Distributions payable to unitholders of the Schemes	6	974	883	11,061	11,627	4,016	5,084	37,532	52,575	1,511	4,199
Payables for securities purchased		4	27	273	-	108	-	104	73	18	16
Payables	11	45	-	277	609	92	716	340	865	82	56
<b>Total liabilities</b>		<b>1,023</b>	<b>910</b>	<b>14,067</b>	<b>16,080</b>	<b>5,060</b>	<b>7,084</b>	<b>37,976</b>	<b>53,513</b>	<b>1,611</b>	<b>4,271</b>
<b>Net assets attributable to unitholders - equity</b>	7	<b>67,677</b>	<b>80,864</b>	<b>327,681</b>	<b>358,010</b>	<b>100,404</b>	<b>113,214</b>	<b>524,681</b>	<b>624,678</b>	<b>38,119</b>	<b>44,789</b>

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

Perpetual Wholesale Funds  
Balance sheets  
As at 30 June 2020  
(continued)

**Balance sheets**

	Notes	Wholesale Global Share Fund		Wholesale Global Share Fund Hedged*		Diversified Real Return Fund		Ethical SRI Credit Fund	
		30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
<b>Assets</b>									
Cash and cash equivalents	13(b)	69,770	79,468	1	-	49,197	15,509	7,062	5,276
Financial assets at fair value through profit or loss	8	433,932	535,957	34,287	22,007	471,166	453,753	35,856	25,930
Receivables for securities sold		8,528	-	-	-	266	-	-	-
Receivables	10	1,727	1,690	1,446	1,928	7,574	14,979	125	9
<b>Total assets</b>		<b>513,957</b>	<b>617,115</b>	<b>35,734</b>	<b>23,935</b>	<b>528,203</b>	<b>484,241</b>	<b>43,043</b>	<b>31,215</b>
<b>Liabilities</b>									
Financial liabilities at fair value through profit or loss	9	575	284	317	21	9,329	10,329	1,033	635
Distributions payable to unitholders of the Schemes	6	17,439	46,632	892	-	24,634	10,698	-	219
Payables for securities purchased		8,457	-	-	3	763	-	1,100	1,004
Payables	11	642	1,838	31	18	345	496	27	17
<b>Total liabilities (excluding net assets)</b>		<b>27,113</b>	<b>48,754</b>	<b>1,240</b>	<b>42</b>	<b>35,071</b>	<b>21,523</b>	<b>2,160</b>	<b>1,875</b>
<b>Net assets attributable to unitholders - liability</b>	7	<b>486,844</b>	<b>568,361</b>	<b>34,494</b>	<b>23,893</b>	<b>493,132</b>	<b>462,718</b>	<b>40,883</b>	<b>29,340</b>

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

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

**Perpetual Wholesale Funds  
Statements of changes in equity  
For the year ended 30 June 2020**

**Statements of changes in equity**

	Notes	Wholesale Dynamic Fixed Income Fund		Wholesale Income Share Fund		Wholesale Australian Share Fund		Wholesale Concentrated Equity Fund		Wholesale Ethical SRI Fund	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the year</b>	7	<b>19,703</b>	13,491	<b>162,453</b>	152,998	<b>957,789</b>	1,183,346	<b>785,307</b>	969,553	<b>1,031,501</b>	1,307,065
<b>Comprehensive income for the year</b>											
Profit/(loss)		<b>401</b>	1,236	<b>(17,936)</b>	8,903	<b>(82,303)</b>	55,780	<b>(106,800)</b>	35,419	<b>(68,203)</b>	(20,959)
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		<b>401</b>	1,236	<b>(17,936)</b>	8,903	<b>(82,303)</b>	55,780	<b>(106,800)</b>	35,419	<b>(68,203)</b>	(20,959)
<b>Transactions with unitholders</b>											
Applications	7	<b>20,523</b>	23,080	<b>8,026</b>	12,713	<b>72,008</b>	120,410	<b>135,558</b>	131,637	<b>173,273</b>	182,243
Redemptions	7	<b>(9,282)</b>	(17,362)	<b>(11,612)</b>	(14,985)	<b>(249,220)</b>	(370,516)	<b>(226,385)</b>	(287,750)	<b>(440,268)</b>	(429,641)
Units issued upon reinvestment of distributions	7	<b>191</b>	110	<b>5,317</b>	12,044	<b>35,941</b>	27,761	<b>31,126</b>	35,283	<b>15,419</b>	37,137
Distributions to unitholders	6, 7	<b>(676)</b>	(852)	<b>(4,982)</b>	(9,220)	<b>(28,215)</b>	(58,992)	<b>(24,349)</b>	(98,835)	<b>(26,558)</b>	(44,344)
<b>Total transactions with unitholders</b>		<b>10,756</b>	4,976	<b>(3,251)</b>	552	<b>(169,486)</b>	(281,337)	<b>(84,050)</b>	(219,665)	<b>(278,134)</b>	(254,605)
<b>Total equity at the end of the year</b>	7	<b>30,860</b>	19,703	<b>141,266</b>	162,453	<b>706,000</b>	957,789	<b>594,457</b>	785,307	<b>685,164</b>	1,031,501

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

Perpetual Wholesale Funds  
Statements of changes in equity  
For the year ended 30 June 2020  
(continued)

Statements of changes in equity

	Notes	Wholesale Geared Australian Share Fund		Wholesale Industrial Share Fund		Wholesale International Share Fund		Wholesale SHARE-PLUS Long-Short Fund		Wholesale Smaller Companies Fund	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the year</b>	7	<b>494,603</b>	555,474	<b>1,711,033</b>	1,994,387	<b>119,239</b>	126,981	<b>1,128,532</b>	1,393,542	<b>760,863</b>	868,549
<b>Comprehensive income for the year</b>											
Profit/(loss)		(170,265)	43,161	(166,202)	69,953	(4,637)	11,621	(59,355)	23,694	14,594	6,414
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		<b>(170,265)</b>	43,161	<b>(166,202)</b>	69,953	<b>(4,637)</b>	11,621	<b>(59,355)</b>	23,694	<b>14,594</b>	6,414
<b>Transactions with unitholders</b>											
Applications	7	206,979	138,237	435,949	242,052	40,067	13,928	187,801	187,828	40,279	56,783
Redemptions	7	(232,172)	(197,552)	(669,193)	(529,237)	(57,492)	(30,497)	(482,710)	(446,589)	(268,345)	(218,115)
Units issued upon reinvestment of distributions	7	30,763	32,442	10,983	14,681	691	127	9,445	24,416	18,534	80,912
Distributions to unitholders	6, 7	(35,734)	(77,159)	(46,382)	(80,803)	(790)	(2,921)	(36,533)	(54,359)	(29,616)	(33,680)
<b>Total transactions with unitholders</b>		<b>(30,164)</b>	(104,032)	<b>(268,643)</b>	(353,307)	<b>(17,524)</b>	(19,363)	<b>(321,997)</b>	(288,704)	<b>(239,148)</b>	(114,100)
<b>Total equity at the end of the year</b>	7	<b>294,174</b>	494,603	<b>1,276,188</b>	1,711,033	<b>97,078</b>	119,239	<b>747,180</b>	1,128,532	<b>536,309</b>	760,863

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

**Perpetual Wholesale Funds  
Statements of changes in equity  
For the year ended 30 June 2020  
(continued)**

**Statements of changes in equity**

	Notes	Wholesale Smaller Companies Fund No.2		Wholesale Conservative Growth Fund		Wholesale Diversified Growth Fund		Wholesale Balanced Growth Fund		Wholesale Split Growth Fund	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total equity at the beginning of the year</b>	7	<b>80,864</b>	82,735	<b>358,010</b>	357,444	<b>113,214</b>	122,217	<b>624,678</b>	726,746	<b>44,789</b>	44,265
<b>Comprehensive income for the year</b>											
Profit/(loss)		<b>914</b>	920	<b>1,795</b>	25,451	<b>(854)</b>	8,823	<b>(14,473)</b>	51,625	<b>(2,505)</b>	3,866
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		<b>914</b>	920	<b>1,795</b>	25,451	<b>(854)</b>	8,823	<b>(14,473)</b>	51,625	<b>(2,505)</b>	3,866
<b>Transactions with unitholders</b>											
Applications	7	<b>7,393</b>	15,140	<b>45,814</b>	69,459	<b>25,405</b>	15,614	<b>245,863</b>	129,549	<b>3,196</b>	5,632
Redemptions	7	<b>(20,929)</b>	(21,030)	<b>(76,198)</b>	(88,274)	<b>(36,357)</b>	(30,468)	<b>(318,691)</b>	(248,922)	<b>(8,636)</b>	(7,992)
Units issued upon reinvestment of distributions	7	<b>1,393</b>	5,929	<b>11,530</b>	10,047	<b>3,737</b>	3,609	<b>24,845</b>	23,394	<b>2,786</b>	3,217
Distributions to unitholders	6, 7	<b>(1,958)</b>	(2,830)	<b>(13,270)</b>	(16,117)	<b>(4,741)</b>	(6,581)	<b>(37,541)</b>	(57,714)	<b>(1,511)</b>	(4,199)
<b>Total transactions with unitholders</b>		<b>(14,101)</b>	(2,791)	<b>(32,124)</b>	(24,885)	<b>(11,956)</b>	(17,826)	<b>(85,524)</b>	(153,693)	<b>(4,165)</b>	(3,342)
<b>Total equity at the end of the year</b>	7	<b>67,677</b>	80,864	<b>327,681</b>	358,010	<b>100,404</b>	113,214	<b>524,681</b>	624,678	<b>38,119</b>	44,789

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

The following Schemes' net assets attributable to unitholders are classified as a liability under AASB 132 *Financial Instruments: Presentation*:

Wholesale Global Share Fund  
Wholesale Global Share Fund Hedged\*  
Diversified Real Return Fund  
Ethical SRI Credit Fund

As such the Schemes have no equity and no items of changes in equity have been presented for the current or comparative period.

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

**Perpetual Wholesale Funds**  
**Statements of cash flows**  
**For the year ended 30 June 2020**

**Statements of cash flows**

	Wholesale Dynamic Fixed Income Fund		Wholesale Income Share Fund		Wholesale Australian Share Fund		Wholesale Concentrated Equity Fund		Wholesale Ethical SRI Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
<b>Cash flows from operating activities</b>										
Dividends/distributions received	813	675	6,810	10,664	60,793	95,928	32,279	59,503	36,549	55,647
Interest received	14	15	66	153	-	-	46	69	529	1,356
Other income received	-	-	145	132	5	4	721	953	1,783	1,498
Responsible Entity's fees paid	(5)	(3)	(1,671)	(1,651)	-	-	(8,883)	(10,632)	(10,943)	(15,013)
Other operating expenses paid	-	(1)	(385)	(273)	-	-	(1,674)	(1,718)	(2,045)	(3,215)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>822</b>	<b>686</b>	<b>4,965</b>	<b>9,025</b>	<b>60,798</b>	<b>95,932</b>	<b>22,489</b>	<b>48,175</b>	<b>25,873</b>	<b>40,273</b>
<b>Cash flows from investing activities</b>										
Proceeds from sale of investments and settlement of derivative contracts	7,023	13,887	133,447	84,163	247,514	368,349	957,248	961,235	732,214	1,139,352
Payments for purchase of investments and settlement of derivative contracts	(18,196)	(20,465)	(143,515)	(82,562)	(111,571)	(198,334)	(819,438)	(800,962)	(528,283)	(896,251)
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(11,173)</b>	<b>(6,578)</b>	<b>(10,068)</b>	<b>1,601</b>	<b>135,943</b>	<b>170,015</b>	<b>137,810</b>	<b>160,273</b>	<b>203,931</b>	<b>243,101</b>
<b>Cash flows from financing activities</b>										
Proceeds from applications by unitholders	20,493	23,108	8,026	12,713	72,082	120,520	135,875	132,240	173,038	183,305
Payments for redemptions by unitholders	(9,261)	(17,361)	(11,976)	(14,672)	(249,602)	(370,557)	(226,538)	(288,222)	(441,523)	(435,539)
Distributions paid	(679)	(496)	(1,009)	(2,566)	(19,221)	(15,910)	(60,048)	(65,623)	(16,015)	(41,338)
Interest expense paid	-	-	-	-	-	-	-	-	-	(1)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>10,553</b>	<b>5,251</b>	<b>(4,959)</b>	<b>(4,525)</b>	<b>(196,741)</b>	<b>(265,947)</b>	<b>(150,711)</b>	<b>(221,605)</b>	<b>(284,500)</b>	<b>(293,573)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>202</b>	<b>(641)</b>	<b>(10,062)</b>	<b>6,101</b>	<b>-</b>	<b>-</b>	<b>9,588</b>	<b>(13,157)</b>	<b>(54,696)</b>	<b>(10,199)</b>
Cash and cash equivalents at the beginning of the year	648	1,289	14,764	8,663	-	-	2,582	15,739	110,458	120,657
<b>Cash and cash equivalents at the end of the year</b>	<b>850</b>	<b>648</b>	<b>4,702</b>	<b>14,764</b>	<b>-</b>	<b>-</b>	<b>12,170</b>	<b>2,582</b>	<b>55,762</b>	<b>110,458</b>

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

**Perpetual Wholesale Funds**  
**Statements of cash flows**  
**For the year ended 30 June 2020**  
**(continued)**

**Statements of cash flows**

	<b>Wholesale Geared Australian Share Fund</b>		<b>Wholesale Industrial Share Fund</b>		<b>Wholesale International Share Fund</b>		<b>Wholesale SHARE-PLUS Long-Short Fund</b>		<b>Wholesale Smaller Companies Fund</b>	
	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2020</b>	<b>30 June 2019</b>
Notes	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>										
Dividends/distributions received	43,414	81,163	165,592	197,241	10,511	22,167	42,229	74,878	24,023	39,402
Interest received	194	(16)	-	-	-	-	475	413	48	75
Other income received	2,121	1,185	1,125	1,467	106	121	1,472	1,698	772	1,156
Gains/(losses) from short selling	-	-	-	-	-	-	(7,382)	(7,825)	-	-
Responsible Entity's fees paid	(12,689)	(14,754)	(15,716)	(19,602)	(1,472)	(1,619)	(14,935)	(19,057)	(9,002)	(11,665)
Short selling expenses paid	-	-	-	-	-	-	(2,122)	(2,810)	-	-
Other operating expenses paid	(3,485)	(2,636)	-	(100)	-	(11)	(6,134)	(5,603)	(2,420)	(2,320)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>29,555</b>	<b>64,942</b>	<b>151,001</b>	<b>179,006</b>	<b>9,145</b>	<b>20,658</b>	<b>13,603</b>	<b>41,694</b>	<b>13,421</b>	<b>26,648</b>
<b>Cash flows from investing activities</b>										
Proceeds from sale of investments and settlement of derivative contracts	1,345,850	919,056	421,144	555,469	24,844	23,397	2,060,618	1,831,355	1,444,825	1,316,638
Payments for purchase of investments and settlement of derivative contracts	(932,829)	(811,432)	(278,752)	(365,057)	(14,351)	(26,907)	(1,834,797)	(1,546,304)	(1,218,866)	(1,177,958)
<b>Net cash inflow/(outflow) from investing activities</b>	<b>413,021</b>	<b>107,624</b>	<b>142,392</b>	<b>190,412</b>	<b>10,493</b>	<b>(3,510)</b>	<b>225,821</b>	<b>285,051</b>	<b>225,959</b>	<b>138,680</b>
<b>Cash flows from financing activities</b>										
Proceeds from applications by unitholders	207,005	138,325	435,913	242,548	40,079	13,923	188,560	188,088	40,511	56,883
Payments for redemptions by unitholders	(232,839)	(198,140)	(670,439)	(529,799)	(57,440)	(30,638)	(484,026)	(446,005)	(268,863)	(218,038)
Distributions paid	(44,141)	(51,669)	(58,867)	(82,167)	(2,277)	(433)	(43,922)	(125,131)	(4,156)	(16,056)
Interest expense paid	(7,791)	(15,197)	-	-	-	-	(306)	(123)	-	-
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(77,766)</b>	<b>(126,681)</b>	<b>(293,393)</b>	<b>(369,418)</b>	<b>(19,638)</b>	<b>(17,148)</b>	<b>(339,694)</b>	<b>(383,171)</b>	<b>(232,508)</b>	<b>(177,211)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>364,810</b>	<b>45,885</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(100,270)</b>	<b>(56,426)</b>	<b>6,872</b>	<b>(11,883)</b>
Cash and cash equivalents/(bank overdraft) at the beginning of the year	(636,808)	(682,707)	-	-	-	-	136,222	192,668	3,464	15,347
Effects of foreign currency exchange rate changes on cash and cash equivalents	1	14	-	-	-	-	23	(20)	-	-
<b>Cash and cash equivalents/(bank overdraft) at the end of the year</b>	<b>(271,997)</b>	<b>(636,808)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,975</b>	<b>136,222</b>	<b>10,336</b>	<b>3,464</b>

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

**Perpetual Wholesale Funds**  
**Statements of cash flows**  
**For the year ended 30 June 2020**  
**(continued)**

**Statements of cash flows**

	Wholesale Smaller Companies Fund No.2		Wholesale Conservative Growth Fund		Wholesale Diversified Growth Fund		Wholesale Balanced Growth Fund		Wholesale Split Growth Fund		
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Cash flows from operating activities</b>											
Dividends/distributions received	2,566	9,145	17,044	16,679	6,280	6,969	35,439	41,141	5,274	5,746	
Interest received	-	-	244	620	75	171	-	-	-	-	
Other income received	-	1	123	156	42	96	9	7	36	40	
Responsible Entity's fees paid	-	-	(1,706)	(1,668)	(560)	(620)	-	-	(516)	(536)	
Other operating expenses paid	-	-	(1,383)	(1,299)	(465)	(446)	-	-	-	(2)	
<b>Net cash inflow/(outflow) from operating activities</b>	13(a)	2,566	9,146	14,322	14,488	5,372	6,170	35,448	41,148	4,794	5,248
<b>Cash flows from investing activities</b>											
Proceeds from sale of investments and settlement of derivative contracts	21,358	22,979	116,866	109,733	51,587	51,476	147,484	238,625	11,025	9,984	
Payments for purchase of investments and settlement of derivative contracts	(9,983)	(24,272)	(97,964)	(106,937)	(41,423)	(42,680)	(81,833)	(137,343)	(8,993)	(11,036)	
<b>Net cash inflow/(outflow) from investing activities</b>		11,375	(1,293)	18,902	2,796	10,164	8,796	65,651	101,282	2,032	(1,052)
<b>Cash flows from financing activities</b>											
Proceeds from applications by unitholders	7,417	15,179	45,776	69,212	25,489	15,613	245,856	129,563	3,191	5,665	
Payments for redemptions by unitholders	(20,884)	(21,082)	(76,530)	(88,816)	(36,979)	(29,982)	(319,216)	(248,364)	(8,604)	(8,009)	
Distributions paid	(474)	(1,950)	(2,306)	(2,080)	(2,072)	(1,751)	(27,739)	(23,629)	(1,413)	(1,852)	
Interest expense paid	-	-	-	(11)	-	(5)	-	-	-	-	
<b>Net cash inflow/(outflow) from financing activities</b>		(13,941)	(7,853)	(33,060)	(21,695)	(13,562)	(16,125)	(101,099)	(142,430)	(6,826)	(4,196)
<b>Net increase/(decrease) in cash and cash equivalents</b>		-	-	164	(4,411)	1,974	(1,159)	-	-	-	-
Cash and cash equivalents at the beginning of the year		-	-	6,485	10,934	3,487	4,655	-	-	-	-
Effects of foreign currency exchange rate changes on cash and cash equivalents		-	-	(10)	(38)	(3)	(9)	-	-	-	-
<b>Cash and cash equivalents at the end of the year</b>	13(b)	-	-	6,639	6,485	5,458	3,487	-	-	-	-

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

**Perpetual Wholesale Funds**  
**Statements of cash flows**  
**For the year ended 30 June 2020**  
**(continued)**

**Statements of cash flows**

	<b>Wholesale Global Share Fund</b>		<b>Wholesale Global Share Fund Hedged*</b>		<b>Diversified Real Return Fund</b>		<b>Ethical SRI Credit Fund</b>	
	<b>30 June 2020 \$'000</b>	<b>30 June 2019 \$'000</b>	<b>30 June 2020 \$'000</b>	<b>30 June 2019 \$'000</b>	<b>30 June 2020 \$'000</b>	<b>30 June 2019 \$'000</b>	<b>30 June 2020 \$'000</b>	<b>30 June 2019 \$'000</b>
								For the period 23 April 2018 to 30 June 2019
<b>Cash flows from operating activities</b>								
Dividends/distributions received	6,638	17,187	2,050	5,041	22,882	25,929	-	-
Interest received	466	843	-	-	102	287	1,064	1,042
Other income received	330	481	13	18	341	221	7	16
Responsible Entity's fees paid	(3,333)	(3,160)	(209)	(227)	(2,644)	(2,146)	(271)	(192)
Other operating expenses paid	(3,082)	(3,118)	-	(2)	(3,579)	(3,786)	(114)	(77)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>1,019</b>	<b>12,233</b>	<b>1,854</b>	<b>4,830</b>	<b>17,102</b>	<b>20,505</b>	<b>686</b>	<b>789</b>
	13(a)							
<b>Cash flows from investing activities</b>								
Proceeds from sale of investments	1,121,855	1,103,073	13,674	13,613	386,073	130,011	56,202	65,969
Payments for purchase of investments	(1,042,070)	(1,016,090)	(28,452)	(12,588)	(411,765)	(200,250)	(66,351)	(90,284)
<b>Net cash inflow/(outflow) from investing activities</b>	<b>79,785</b>	<b>86,983</b>	<b>(14,778)</b>	<b>1,025</b>	<b>(25,692)</b>	<b>(70,239)</b>	<b>(10,149)</b>	<b>(24,315)</b>
<b>Cash flows from financing activities</b>								
Proceeds from applications by unitholders	65,240	57,921	17,055	1,992	190,750	134,359	17,137	29,057
Payments for redemptions by unitholders	(149,825)	(151,697)	(4,130)	(3,610)	(142,091)	(80,653)	(5,702)	(249)
Distributions paid	(5,587)	(11,161)	-	(4,237)	(6,053)	(8,171)	(188)	(2)
Interest expense paid	(56)	(66)	-	-	(88)	(11)	-	(1)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(90,228)</b>	<b>(105,003)</b>	<b>12,925</b>	<b>(5,855)</b>	<b>42,518</b>	<b>45,524</b>	<b>11,247</b>	<b>28,805</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(9,424)</b>	<b>(5,787)</b>	<b>1</b>	<b>-</b>	<b>33,928</b>	<b>(4,210)</b>	<b>1,784</b>	<b>5,279</b>
Cash and cash equivalents at the beginning of the year	79,468	86,253	-	-	15,509	19,719	5,276	-
Effects of foreign currency exchange rate changes on cash and cash equivalents	(274)	(998)	-	-	(240)	-	2	(3)
<b>Cash and cash equivalents at the end of the year</b>	<b>69,770</b>	<b>79,468</b>	<b>1</b>	<b>-</b>	<b>49,197</b>	<b>15,509</b>	<b>7,062</b>	<b>5,276</b>
	13(b)							

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

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

## **1 General information**

This annual financial report covers Perpetual Wholesale Funds (the Schemes) as individual entities. The Schemes are registered managed investment schemes under the *Corporations Act 2001*. The Schemes are domiciled in Australia. For the purpose of the financial statement, the Schemes are for-profit entities.

The Responsible Entity of the Schemes is Perpetual Investment Management Limited (the "Responsible Entity"). The Responsible Entity's registered office is Level 18, 123 Pitt Street, Sydney, NSW 2000.

The annual financial report was authorised for issue by the directors of the Responsible Entity on 23 September 2020. The directors of the Responsible Entity have the power to amend and reissue the annual financial report.

## **2 Summary of significant accounting policies**

The principal accounting policies applied in the preparation of this annual financial report are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

### **(a) Basis of preparation**

The annual financial report is a general purpose financial report which has 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 annual financial report is prepared on the basis of fair value measurement of assets and liabilities except where otherwise stated and has been prepared on a going concern basis except as set out below for Perpetual Wholesale Global Share Fund Hedged.

#### *Basis of preparation other than going concern - Perpetual Wholesale Global Share Fund Hedged*

The financial statements for the Perpetual Wholesale Global Share Fund Hedged have not been prepared on a going concern basis as the Responsible Entity has made the decision to wind-up the Perpetual Wholesale Global Share Fund Hedged, realising all assets, settling all liabilities and making a final distribution to the unitholders, with formal termination of the Perpetual Wholesale Global Share Fund Hedged on 4 September 2020.

In preparing the financial statements of the Perpetual Wholesale Global Share Fund Hedged on an alternate basis, the Perpetual Wholesale Global Share Fund Hedged has continued to apply the requirements of Australian Accounting Standards taking into account that the Perpetual Wholesale Global Share Fund Hedged will not continue as a going concern. There has been no significant remeasurement of any amounts in the financial statements of Perpetual Wholesale Global Share Fund Hedged.

No additional provisions or liabilities has been recognised as a result of the intended wind up of the Perpetual Wholesale Global Share Fund Hedged as the Responsible Entity has not incurred any legal or contractual obligations.

#### *Compliance with International Financial Reporting Standards*

The annual financial report of the Schemes also complies with International Financial Reporting Standards and Interpretations issued by the International Accounting Standards Board.

Significant accounting policies in Note 2(b) to 2(n) apply to all the individual Schemes including Perpetual Wholesale Global Share Fund Hedged.

#### *Functional and presentation currency*

The annual financial report is presented in Australian dollars, which is the Schemes' functional currency.

## **2 Summary of significant accounting policies (continued)**

### *Use of estimates*

Management has taken into consideration the impacts of COVID-19 to make estimates and assumptions that affect the reported amounts in the financial statements. Estimates and associated assumptions are reviewed regularly and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

For the majority of the Schemes' financial instruments, quoted market prices are readily available. However, when certain financial instruments are fairly valued using valuation techniques (for example, pricing models), observable data is used to the extent practicable. The use of estimates and critical judgements in fair value measurement is described in note 17(d).

### **(b) New accounting standards and interpretations**

There are no new accounting standards, amendments and interpretations effective for the first time for the financial year beginning 1 July 2019 that would be expected to have a material impact on the Schemes.

### **(c) Financial instruments**

#### *(i) Classification*

The Schemes classify their investments based on its business model for managing those financial assets and their contractual cash flow characteristics. The Schemes' portfolio of financial assets is managed and its performance is evaluated on a fair value basis in accordance with the Schemes' documented investment strategy. The Schemes evaluate the information about their investments on a fair value basis together with other related financial information.

Derivatives, equity securities and unlisted unit trusts are measured at fair value through profit or loss.

For debt securities, the contractual cash flows are solely payments of principal and interest, however, they are neither held for collecting contractual cash flows nor held for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Schemes' business model's objective. Consequently, the debt securities are classified as financial assets at fair value through profit or loss.

The Wholesale SHARE-PLUS Long-Short Fund makes short sales in which a borrowed security is sold in anticipation of a decline in the market value of that security, or it may use short sales for various arbitrage transactions. Short sales are classified as financial liabilities as fair value through profit or loss.

Derivative contracts that have negative fair values are presented as financial liabilities at fair value through profit or loss.

#### *(ii) Recognition/derecognition*

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

Investments are derecognised on the date the Schemes become party to the sale contractual agreement (trade date).

## **2 Summary of significant accounting policies (continued)**

### *(iii) Measurement*

At initial recognition, a financial asset or liability is measured at fair value. Transaction costs are expensed in profit or loss as incurred. Subsequently all financial assets and liabilities are measured at fair value without any deduction for estimated future selling cost. Gains and losses arising from changes in the fair value measurement are included in profit or loss in the period in which they arise.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Further details of fair value measurement are disclosed in note 17(d).

### **(d) Net assets attributable to unitholders**

#### *(iv) Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Units are redeemable at unitholders' option, however applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unitholders.

The units can be put back to the Schemes at any time for cash based on the redemption price, which is equal to a proportionate share of the Schemes' net assets attributable to unitholders. The units are carried at the redemption amount that is payable at the reporting date if the unitholders exercise their right to put the units back to the Schemes.

Under AASB 132 *Financial instruments: Presentation*, puttable financial instruments are classified as equity where certain strict criteria are met.

The Schemes classify the net assets attributable to unitholders as equity as they satisfy the following criteria:

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Schemes' liquidation;
- the puttable financial instrument is in the class of instruments that is subordinate to all other classes of instruments and the class features are identical;
- no contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavourable conditions to the Schemes, and it is not contract settled in the Schemes' own equity instrument; and
- the total expected cash flows attributable to the puttable financial instrument over the life are based substantially on the profit or loss.

The Schemes offering multiple unit classes do not meet the criteria as they have different contractual features. Consequently, these Schemes classify their net assets attributable to unitholders as financial liability.

## **2 Summary of significant accounting policies (continued)**

### **(e) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash at bank, margin accounts, other short term and highly liquid financial assets with a maturity period of three months or less from the date of acquisition that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown as a liability on the balance sheets.

Margin accounts comprise cash held as collateral for derivative transactions. The cash is held by the broker and is only available to meet margin calls.

### **(f) Receivables (continued)**

Receivables include accrued income, application monies receivable and receivables for securities sold. Amounts are generally received within 30 days of being accrued for.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Schemes shall measure the loss allowance on 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 Schemes shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counterparty, probability that the counterparty 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.

The amount of the impairment loss is recognised in profit or loss within other operating expenses. When a trade 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 operating expenses in profit or loss.

### **(g) Payables**

Payables include accrued expenses, redemption monies owing by the Schemes and payables for securities purchased which are unpaid at the end of the reporting date. Amounts are generally paid within 30 days of being accrued for.

### **(h) Investment income**

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

Interest from financial assets at fair value through profit or loss is determined based on the contractual coupon interest rate and includes interest from debt securities.

Dividend and distribution income from financial assets at fair value through profit or loss is recognised in profit or loss when the Schemes' right to receive payment is established.

Other changes in fair value for such instruments are recorded in accordance with the accounting policies described in note 2(c).

## **2 Summary of significant accounting policies (continued)**

### **(i) Expenses**

All expenses, including Responsible Entity's fees, are recognised in profit or loss on an accruals basis.

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

Interest expense is recognised in profit or loss as it accrues, using the applicable interest rates on bank overdrafts.

### **(j) Income tax**

The Schemes are not subject to income tax provided the taxable income of the Schemes is attributed in full to their unitholders each financial year either by way of cash or reinvestment. Unitholders are subject to income tax at their own marginal tax rates on amounts attributable to them.

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

### **(k) Distributions**

Distributions are payable as set out in the Schemes' Constitutions. Such distributions are recognised as payable when they are determined by the Responsible Entity of the Schemes.

### **(l) Changes in net assets attributable to unitholders**

Income not distributed from the Schemes offering multiple unit classes is included in net assets attributable to unitholders. Changes in net assets attributable to unitholders are recognised in profit or loss as finance costs attributable to unitholders.

### **(m) Goods and Services Tax**

The Goods and Services Tax (GST) is incurred on the cost of various services provided to the Schemes by third parties. The Schemes qualify for Reduced Input Tax Credit; hence expenses such as Responsible Entity's fees have been recognised in profit or loss net of the amount of GST recoverable from the Australian Taxation Office. Payables are stated with the amount of GST included. The net amount of GST recoverable is included in receivables in the balance sheet. Cash flows are included in the statement of cash flows on a gross basis.

### **(n) Foreign currency translation**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in profit or loss on a net basis within net gains/(losses) on financial instruments at fair value through profit or loss.

Perpetual Wholesale Funds  
Notes to the financial statements  
For the year ended 30 June 2020  
(continued)

**3 Interest Income**

	Wholesale Ethical SRI Fund		Wholesale SHARE-PLUS Long-Short Fund		Wholesale Conservative Growth Fund	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	525	1,355	446	344	16	109
Debt securities	-	-	-	-	228	511
<b>Total</b>	<b>525</b>	<b>1,355</b>	<b>446</b>	<b>344</b>	<b>244</b>	<b>620</b>

	Wholesale Global Share Fund		Diversified Real Return Fund		Ethical SRI Credit Fund	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents	464	844	102	277	23	41
Debt securities	-	-	-	10	1,040	1,005
<b>Total</b>	<b>464</b>	<b>844</b>	<b>102</b>	<b>287</b>	<b>1,063</b>	<b>1,046</b>

For the period 23 April 2018 to

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

Net gains/(losses) arising from changes in the fair value measurement comprise:

	Wholesale Dynamic Fixed Income Fund		Wholesale Income Share Fund		Wholesale Australian Share Fund		Wholesale Concentrated Equity Fund		Wholesale Ethical SRI Fund	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net unrealised gains/(losses) on financial instruments at fair value through profit or loss	(288)	107	(18,757)	6,212	(103,165)	37,172	(91,324)	(60,115)	(70,124)	(56,079)
Net realised gains/(losses) on financial instruments at fair value through profit or loss	91	215	(4,175)	(5,895)	(23,286)	(59,810)	(37,204)	50,949	(21,939)	2,996
<b>Net gains/(losses) on financial instruments at fair value through profit or loss</b>	<b>(197)</b>	<b>322</b>	<b>(22,932)</b>	<b>317</b>	<b>(126,451)</b>	<b>(22,638)</b>	<b>(128,528)</b>	<b>(9,166)</b>	<b>(92,063)</b>	<b>(53,083)</b>
	Wholesale Geared Australian Share Fund		Wholesale Industrial Share Fund		Wholesale International Share Fund		Wholesale SHARE-PLUS Long-Short Fund		Wholesale Smaller Companies Fund	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net unrealised gains/(losses) on financial instruments at fair value through profit or loss	(70,315)	(12,642)	(218,813)	38,560	(8,439)	2,070	(25,601)	(22,103)	(18,477)	(27,734)
Net realised gains/(losses) on financial instruments at fair value through profit or loss	(120,716)	10,950	(79,306)	(128,152)	561	588	(45,755)	9,220	19,694	7,679
<b>Net gains/(losses) on financial instruments at fair value through profit or loss</b>	<b>(191,031)</b>	<b>(1,692)</b>	<b>(298,119)</b>	<b>(89,592)</b>	<b>(7,878)</b>	<b>2,658</b>	<b>(71,356)</b>	<b>(12,883)</b>	<b>1,217</b>	<b>(20,055)</b>

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

Net gains/(losses) arising from changes in the fair value measurement comprise:

	Wholesale Smaller Companies Fund No.2		Wholesale Conservative Growth Fund		Wholesale Diversified Growth Fund		Wholesale Balanced Growth Fund		Wholesale Split Growth Fund	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net unrealised gains/(losses) on financial instruments at fair value through profit or loss	(1,322)	(701)	(10,604)	8,211	(5,652)	1,846	(50,910)	(4,430)	(4,116)	(516)
Net realised gains/(losses) on financial instruments at fair value through profit or loss	(1,422)	(1,737)	3,200	1,372	1,629	908	9,325	13,052	(673)	(465)
<b>Net gains/(losses) on financial instruments at fair value through profit or loss</b>	<b>(2,744)</b>	<b>(2,438)</b>	<b>(7,404)</b>	<b>9,583</b>	<b>(4,023)</b>	<b>2,754</b>	<b>(41,585)</b>	<b>8,622</b>	<b>(4,789)</b>	<b>(981)</b>

	Wholesale Global Share Fund		Wholesale Global Share Fund Hedged*		Diversified Real Return Fund		Ethical SRI Credit Fund	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net unrealised gains/(losses) on financial instruments at fair value through profit or loss	(41,367)	13,807	(2,404)	589	(22,370)	6,470	(466)	(42)
Net realised gains/(losses) on financial instruments at fair value through profit or loss	17,319	33,572	(230)	(1,303)	15,114	(1,455)	(210)	10
<b>Net gains/(losses) on financial instruments at fair value through profit or loss</b>	<b>(24,048)</b>	<b>47,379</b>	<b>(2,634)</b>	<b>(714)</b>	<b>(7,256)</b>	<b>5,015</b>	<b>(676)</b>	<b>(32)</b>

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

Perpetual Wholesale Funds  
Notes to the financial statements  
For the year ended 30 June 2020  
(continued)

5 Other operating expenses

	Wholesale Income Share Fund		Wholesale Concentrated Equity Fund		Wholesale Ethical SRI Fund		Wholesale Geared Australian Share Fund	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Transaction costs	359	255	1,558	1,602	1,670	2,898	3,120	2,551
Sundry expenses	-	-	-	1	-	-	12	9
<b>Total</b>	<b>359</b>	<b>255</b>	<b>1,558</b>	<b>1,603</b>	<b>1,670</b>	<b>2,898</b>	<b>3,132</b>	<b>2,560</b>

	Wholesale SHARE-PLUS Long-Short Fund		Wholesale Smaller Companies Fund		Wholesale Conservative Growth Fund		Wholesale Diversified Growth Fund	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Transaction costs	5,644	5,370	2,258	2,163	39	47	16	27
Mandate managers fees	-	-	-	-	48	51	10	12
Sundry expenses	11	15	-	-	18	18	17	96
Swaps expenses	-	-	-	-	1,272	1,176	419	308
<b>Total</b>	<b>5,655</b>	<b>5,385</b>	<b>2,258</b>	<b>2,163</b>	<b>1,377</b>	<b>1,292</b>	<b>462</b>	<b>443</b>

	Wholesale Global Share Fund		Diversified Real Return Fund		Ethical SRI Credit Fund	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Transaction costs	2,947	3,088	273	135	-	-
Sundry expenses	149	8	20	33	7	2
Swaps expenses	-	-	3,270	3,626	123	74
<b>Total</b>	<b>3,096</b>	<b>3,096</b>	<b>3,563</b>	<b>3,794</b>	<b>130</b>	<b>76</b>

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

## 6 Distributions to unitholders

The distributions for the year were as follows:

	Wholesale Dynamic Fixed Income Fund				Wholesale Income Share Fund			
	30 June 2020 \$'000	30 June 2020 CPU	30 June 2019 \$'000	30 June 2019 CPU	30 June 2020 \$'000	30 June 2020 CPU	30 June 2019 \$'000	30 June 2019 CPU
	Distributions paid - September	147	0.77	104	0.68	1,947	1.47	2,336
Distributions paid - December	156	0.65	167	0.58	1,090	0.82	3,341	2.50
Distributions paid - March	214	0.72	228	0.80	986	0.71	1,240	0.91
Distributions payable - June	159	0.53	353	1.85	959	0.70	2,303	1.73
<b>Total distributions</b>	<b>676</b>		<b>852</b>		<b>4,982</b>		<b>9,220</b>	

	Wholesale Australian Share Fund				Wholesale Concentrated Equity Fund			
	30 June 2020 \$'000	30 June 2020 CPU	30 June 2019 \$'000	30 June 2019 CPU	30 June 2020 \$'000	30 June 2020 CPU	30 June 2019 \$'000	30 June 2019 CPU
	Distributions paid - December	15,871	2.36	19,700	2.46	13,425	2.44	21,086
Distributions payable - June	12,344	1.96	39,292	5.31	10,924	2.14	77,749	14.00
<b>Total distributions</b>	<b>28,215</b>		<b>58,992</b>		<b>24,349</b>		<b>98,835</b>	

	Wholesale Ethical SRI Fund				Wholesale Geared Australian Share Fund			
	30 June 2020 \$'000	30 June 2020 CPU	30 June 2019 \$'000	30 June 2019 CPU	30 June 2020 \$'000	30 June 2020 CPU	30 June 2019 \$'000	30 June 2019 CPU
	Distributions paid - December	13,470	2.99	26,380	4.27	20,069	8.63	22,324
Distributions payable - June	13,088	3.18	17,964	3.27	15,665	6.30	54,835	23.27
<b>Total distributions</b>	<b>26,558</b>		<b>44,344</b>		<b>35,734</b>		<b>77,159</b>	

## 6 Distributions to unitholders (continued)

The distributions for the year were as follows:

	Wholesale Industrial Share Fund				Wholesale International Share Fund			
	30 June 2020	30 June 2020	30 June 2019	30 June 2019	30 June 2020	30 June 2020	30 June 2019	30 June 2019
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid - September	4,450	0.35	10,624	0.72	-	-	-	-
Distributions paid - December	21,390	1.76	20,624	1.43	47	0.10	-	-
Distributions paid - March	3,921	0.34	9,466	0.68	-	-	-	-
Distributions payable - June	16,621	1.47	40,089	3.07	743	1.64	2,921	5.54
<b>Total distributions</b>	<b>46,382</b>		<b>80,803</b>		<b>790</b>		<b>2,921</b>	

	Wholesale SHARE-PLUS Long-Short Fund				Wholesale Smaller Companies Fund			
	30 June 2020	30 June 2020	30 June 2019	30 June 2019	30 June 2020	30 June 2020	30 June 2019	30 June 2019
	\$'000	CPU	\$'000	CPU	\$'000	CPU	\$'000	CPU
Distributions paid - December	20,308	5.60	21,300	4.32	9,398	1.81	20,388	2.72
Distributions payable - June	16,225	5.08	33,059	7.68	20,218	4.20	13,292	2.02
<b>Total distributions</b>	<b>36,533</b>		<b>54,359</b>		<b>29,616</b>		<b>33,680</b>	

	Wholesale Smaller Companies Fund No.2			
	30 June 2020	30 June 2020	30 June 2019	30 June 2019
	\$'000	CPU	\$'000	CPU
Distributions paid - December	984	0.87	1,947	1.53
Distributions payable - June	974	0.93	883	0.71
<b>Total distributions</b>	<b>1,958</b>		<b>2,830</b>	

## 6 Distributions to unitholders (continued)

The distributions for the year were as follows:

	Wholesale Conservative Growth Fund				Wholesale Diversified Growth Fund			
	30 June 2020 \$'000	30 June 2020 CPU	30 June 2019 \$'000	30 June 2019 CPU	30 June 2020 \$'000	30 June 2020 CPU	30 June 2019 \$'000	30 June 2019 CPU
Distributions paid - September	794	0.26	800	0.26	147	0.15	189	0.18
Distributions paid - December	1,089	0.36	1,877	0.61	167	0.18	680	0.66
Distributions paid - March	326	0.11	1,813	0.59	411	0.45	628	0.62
Distributions payable - June	11,061	3.82	11,627	3.80	4,016	4.41	5,084	5.22
<b>Total distributions</b>	<b>13,270</b>		<b>16,117</b>		<b>4,741</b>		<b>6,581</b>	

	Wholesale Balanced Growth Fund				Wholesale Split Growth Fund			
	30 June 2020 \$'000	30 June 2020 CPU	30 June 2019 \$'000	30 June 2019 CPU	30 June 2020 \$'000	30 June 2020 CPU	30 June 2019 \$'000	30 June 2019 CPU
Distributions paid - December	9	-	5,139	1.07	-	-	-	-
Distributions payable - June	37,532	9.19	52,575	11.88	1,511	4.63	4,199	12.14
<b>Total distributions</b>	<b>37,541</b>		<b>57,714</b>		<b>1,511</b>		<b>4,199</b>	

	Wholesale Global Share Fund - Class W				Wholesale Global Share Fund - Class A			
	30 June 2020 \$'000	30 June 2020 CPU	30 June 2019 \$'000	30 June 2019 CPU	30 June 2020 \$'000	30 June 2020 CPU	30 June 2019 \$'000	30 June 2019 CPU
Distributions paid - December	1,518	0.95	1,811	0.78	347	0.16	103	0.05
Distributions payable - June	10,102	6.17	25,997	13.97	7,337	3.53	20,635	9.72
<b>Total distributions</b>	<b>11,620</b>		<b>27,808</b>		<b>7,684</b>		<b>20,738</b>	

**Perpetual Wholesale Funds**  
**Notes to the financial statements**  
**For the year ended 30 June 2020**  
**(continued)**

**6 Distributions to unitholders (continued)**

The distributions for the year were as follows:

	Wholesale Global Share Fund Hedged - Class W*				Wholesale Global Share Fund Hedged - Class A*			
	30 June 2020 \$'000	30 June 2020 CPU	30 June 2019 \$'000	30 June 2019 CPU	30 June 2020 \$'000	30 June 2020 CPU	30 June 2019 \$'000	30 June 2019 CPU
	Distributions paid - December	-	-	-	-	-	-	-
Distributions payable - June	168	3.38	-	-	724	2.38	-	-
<b>Total distributions</b>	<b>168</b>		<b>-</b>		<b>724</b>		<b>-</b>	

	Diversified Real Return Fund - Class W				Diversified Real Return Fund - Class Z			
	30 June 2020 \$'000	30 June 2020 CPU	30 June 2019 \$'000	30 June 2019 CPU	30 June 2020 \$'000	30 June 2020 CPU	30 June 2019 \$'000	30 June 2019 CPU
	Distributions paid - September	189	0.04	399	0.10	13	0.05	-
Distributions paid - December	-	-	1,089	0.28	32	0.10	5	0.31
Distributions paid - March	237	0.06	3,967	0.97	64	0.15	23	0.78
Distributions payable - June	22,085	5.19	10,347	2.51	2,549	4.98	351	2.43
<b>Total distributions</b>	<b>22,511</b>		<b>15,802</b>		<b>2,658</b>		<b>379</b>	

	Ethical SRI Credit Fund - Class A			
	30 June 2020 \$'000	30 June 2020 CPU	For the period 23 April 2018 to 30 June 2019 \$'000	For the period 23 April 2018 to 30 June 2019 CPU
			30 June 2019 \$'000	30 June 2019 CPU
Distributions paid - June 2018	-	-	27	0.11
Distributions paid - September	217	0.72	147	0.58
Distributions paid - December	191	0.44	179	0.70
Distributions paid - March	146	0.33	180	0.70
Distributions payable - June	-	-	219	0.75
<b>Total distributions</b>	<b>554</b>		<b>752</b>	

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

## 7 Net assets attributable to unitholders

The Schemes offering a single unit class classify the net assets attributable to unitholders as equity from 1 July 2017 onwards as the puttable financial instruments satisfy all the criteria set out under AASB 132 (refer to note 2(d)).

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

	Wholesale Dynamic Fixed Income Fund				Wholesale Income Share Fund			
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
<b>Net assets attributable to unitholders - equity</b>								
Opening balance	19,094	13,238	19,703	13,491	133,329	124,945	162,453	152,998
Applications	19,796	22,531	20,523	23,080	8,499	10,653	8,026	12,713
Redemptions	(9,019)	(16,783)	(9,282)	(17,362)	(10,027)	(12,446)	(11,612)	(14,985)
Units issued upon reinvestment of distributions	186	108	191	110	4,569	10,177	5,317	12,044
Distributions to unitholders	-	-	(676)	(852)	-	-	(4,982)	(9,220)
Profit/(loss)	-	-	401	1,236	-	-	(17,936)	8,903
<b>Closing balance</b>	<b>30,057</b>	<b>19,094</b>	<b>30,860</b>	<b>19,703</b>	<b>136,370</b>	<b>133,329</b>	<b>141,266</b>	<b>162,453</b>
	Wholesale Australian Share Fund				Wholesale Concentrated Equity Fund			
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
<b>Net assets attributable to unitholders - equity</b>								
Opening balance	739,745	910,028	957,789	1,183,346	555,191	633,750	785,307	969,553
Applications	58,064	94,907	72,008	120,410	99,088	87,052	135,558	131,637
Redemptions	(196,972)	(287,517)	(249,220)	(370,516)	(165,925)	(189,187)	(226,385)	(287,750)
Units issued upon reinvestment of distributions	27,676	22,327	35,941	27,761	21,961	23,576	31,126	35,283
Distributions to unitholders	-	-	(28,215)	(58,992)	-	-	(24,349)	(98,835)
Profit/(loss)	-	-	(82,303)	55,780	-	-	(106,800)	35,419
<b>Closing balance</b>	<b>628,513</b>	<b>739,745</b>	<b>706,000</b>	<b>957,789</b>	<b>510,315</b>	<b>555,191</b>	<b>594,457</b>	<b>785,307</b>

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

## 7 Net assets attributable to unitholders (continued)

The Schemes offering a single unit class classify the net assets attributable to unitholders as equity from 1 July 2017 onwards as the puttable financial instruments satisfy all the criteria set out under AASB 132 (refer to note 2(d)).

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

	Wholesale Ethical SRI Fund				Wholesale Geared Australian Share Fund			
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
<b>Net assets attributable to unitholders - equity</b>								
Opening balance	548,681	661,337	1,031,501	1,307,065	235,665	246,689	494,603	555,474
Applications	92,617	682,784	173,273	182,243	121,660	66,337	206,979	138,237
Redemptions	(237,806)	(815,294)	(440,268)	(429,641)	(123,381)	(92,953)	(232,172)	(197,552)
Units issued upon reinvestment of distributions	8,193	19,854	15,419	37,137	14,600	15,592	30,763	32,442
Distributions to unitholders	-	-	(26,558)	(44,344)	-	-	(35,734)	(77,159)
Profit/(loss)	-	-	(68,203)	(20,959)	-	-	(170,265)	43,161
<b>Closing balance</b>	<b>411,685</b>	<b>548,681</b>	<b>685,164</b>	<b>1,031,501</b>	<b>248,544</b>	<b>235,665</b>	<b>294,174</b>	<b>494,603</b>
	Wholesale Industrial Share Fund				Wholesale International Share Fund			
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
<b>Net assets attributable to unitholders - equity</b>								
Opening balance	1,304,886	1,516,511	1,711,033	1,994,387	52,713	60,327	119,239	126,981
Applications	332,740	188,649	435,949	242,052	17,219	6,361	40,067	13,928
Redemptions	(515,191)	(411,717)	(669,193)	(529,237)	(24,909)	(14,035)	(57,492)	(30,497)
Units issued upon reinvestment of distributions	8,476	11,443	10,983	14,681	305	60	691	127
Distributions to unitholders	-	-	(46,382)	(80,803)	-	-	(790)	(2,921)
Profit/(loss)	-	-	(166,202)	69,953	-	-	(4,637)	11,621
<b>Closing balance</b>	<b>1,130,911</b>	<b>1,304,886</b>	<b>1,276,188</b>	<b>1,711,033</b>	<b>45,328</b>	<b>52,713</b>	<b>97,078</b>	<b>119,239</b>

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

## 7 Net assets attributable to unitholders (continued)

The Schemes offering a single unit class classify the net assets attributable to unitholders as equity from 1 July 2017 onwards as the puttable financial instruments satisfy all the criteria set out under AASB 132 (refer to note 2(d)).

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

	Wholesale SHARE-PLUS Long-Short Fund				Wholesale Smaller Companies Fund			
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
<b>Net assets attributable to unitholders - equity</b>								
Opening balance	430,561	520,931	1,128,532	1,393,542	659,059	729,646	760,863	868,549
Applications	72,936	72,688	187,801	187,828	34,859	49,314	40,279	56,783
Redemptions	(187,402)	(172,345)	(482,710)	(446,589)	(227,961)	(189,634)	(268,345)	(218,115)
Units issued upon reinvestment of distributions	3,581	9,287	9,445	24,416	15,772	69,733	18,534	80,912
Distributions to unitholders	-	-	(36,533)	(54,359)	-	-	(29,616)	(33,680)
Profit/(loss)	-	-	(59,355)	23,694	-	-	14,594	6,414
<b>Closing balance</b>	<b>319,676</b>	<b>430,561</b>	<b>747,180</b>	<b>1,128,532</b>	<b>481,729</b>	<b>659,059</b>	<b>536,309</b>	<b>760,863</b>

	Wholesale Smaller Companies Fund No.2				Wholesale Conservative Growth Fund			
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$'000
<b>Net assets attributable to unitholders - equity</b>								
Opening balance	123,898	123,741	80,864	82,735	305,827	313,403	358,010	357,444
Applications	11,271	23,523	7,393	15,140	38,949	59,757	45,814	69,459
Redemptions	(32,385)	(32,487)	(20,929)	(21,030)	(64,962)	(76,105)	(76,198)	(88,274)
Units issued upon reinvestment of distributions	2,080	9,121	1,393	5,929	9,845	8,772	11,530	10,047
Distributions to unitholders	-	-	(1,958)	(2,830)	-	-	(13,270)	(16,117)
Profit/(loss)	-	-	914	920	-	-	1,795	25,451
<b>Closing balance</b>	<b>104,864</b>	<b>123,898</b>	<b>67,677</b>	<b>80,864</b>	<b>289,659</b>	<b>305,827</b>	<b>327,681</b>	<b>358,010</b>

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

## 7 Net assets attributable to unitholders (continued)

The Schemes offering multiple unit classes classify the net assets attributable to unitholders as equity from 1 July 2017 onwards as the puttable financial instruments satisfy all the criteria set out under AASB 132 (refer to note 2(d)).

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

	Wholesale Diversified Growth Fund				Wholesale Balanced Growth Fund			
	30 June 2020 Units '000	30 June 2019 Units '000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 Units '000	30 June 2019 Units '000	30 June 2020 \$'000	30 June 2019 \$'000
	<b>Net assets attributable to unitholders - equity</b>							
Opening balance	97,306	106,901	113,214	122,217	442,724	508,537	624,678	726,746
Applications	21,798	13,392	25,405	15,614	169,893	90,173	245,863	129,549
Redemptions	(31,334)	(26,139)	(36,357)	(30,468)	(221,863)	(172,413)	(318,691)	(248,922)
Units issued upon reinvestment of distributions	3,223	3,152	3,737	3,609	17,608	16,427	24,845	23,394
Distributions to unitholders	-	-	(4,741)	(6,581)	-	-	(37,541)	(57,714)
Profit/(loss)	-	-	(854)	8,823	-	-	(14,473)	51,625
<b>Closing balance</b>	<b>90,993</b>	<b>97,306</b>	<b>100,404</b>	<b>113,214</b>	<b>408,362</b>	<b>442,724</b>	<b>524,681</b>	<b>624,678</b>

	Wholesale Split Growth Fund			
	30 June 2020 Units '000	30 June 2019 Units '000	30 June 2020 \$'000	30 June 2019 \$'000
	<b>Net assets attributable to unitholders - equity</b>			
Opening balance	34,600	33,986	44,789	44,265
Applications	2,469	4,186	3,196	5,632
Redemptions	(6,605)	(6,042)	(8,636)	(7,992)
Units issued upon reinvestment of distributions	2,152	2,470	2,786	3,217
Distributions to unitholders	-	-	(1,511)	(4,199)
Profit/(loss)	-	-	(2,505)	3,866
<b>Closing balance</b>	<b>32,616</b>	<b>34,600</b>	<b>38,119</b>	<b>44,789</b>

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

## 7 Net assets attributable to unitholders (continued)

The Schemes offering a single unit class classify the net assets attributable to unitholders as financial liability as the puttable financial instruments do not satisfy all the criteria set out under AASB 132 (refer to note 2(d)).

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

	Wholesale Global Share Fund				Wholesale Global Share Fund Hedged*			
	30 June 2020 Units '000	30 June 2019 Units '000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 Units '000	30 June 2019 Units '000	30 June 2020 \$'000	30 June 2019 \$'000
<b>Net assets attributable to unitholders - liability</b>								
Opening balance	398,434	389,295	568,361	551,292	21,628	22,124	23,893	23,120
Applications	47,087	44,267	64,833	58,281	17,618	1,924	17,054	1,993
Redemptions	(103,403)	(103,095)	(148,645)	(152,435)	(3,871)	(3,451)	(4,130)	(3,610)
Units issued upon reinvestment of distributions	29,230	67,967	42,910	98,342	-	1,031	-	1,081
Changes in net assets attributable to unitholders	-	-	(40,615)	12,881	-	-	(2,323)	1,309
<b>Closing balance</b>	<b>371,348</b>	<b>398,434</b>	<b>486,844</b>	<b>568,361</b>	<b>35,375</b>	<b>21,628</b>	<b>34,494</b>	<b>23,893</b>

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

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

## 7 Net assets attributable to unitholders (continued)

The Schemes offering a single unit class classify the net assets attributable to unitholders as financial liability as the puttable financial instruments do not satisfy all the criteria set out under AASB 132 (refer to note 2(d)).

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

	<b>Diversified Real Return Fund</b>				<b>Ethical SRI Credit Fund</b>			
	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	For the period 23 April 2018 to 30 June 2019	<b>30 June 2020</b>	For the period 23 April 2018 to 30 June 2019
	Units '000	Units '000	\$'000	\$'000	Units '000	Units '000	\$'000	\$ '000
<b>Net assets attributable to unitholders - liability</b>								
Opening balance	<b>426,649</b>	367,508	<b>462,718</b>	392,436	<b>29,279</b>	-	<b>29,340</b>	-
Applications	<b>176,445</b>	125,492	<b>189,995</b>	135,108	<b>17,104</b>	28,995	<b>17,251</b>	29,057
Redemptions	<b>(131,341)</b>	(74,538)	<b>(141,886)</b>	(80,788)	<b>(5,791)</b>	(249)	<b>(5,702)</b>	(249)
Units issued upon reinvestment of distributions	<b>4,769</b>	8,187	<b>5,180</b>	8,778	<b>586</b>	533	<b>585</b>	531
Changes in net assets attributable to unitholders	-	-	<b>(22,875)</b>	7,184	-	-	<b>(591)</b>	1
<b>Closing balance</b>	<b>476,522</b>	426,649	<b>493,132</b>	462,718	<b>41,178</b>	29,279	<b>40,883</b>	29,340

As stipulated within the Schemes' Constitutions, each unit represents a right to an individual unit in the Schemes and does not extend to a right to the underlying assets of the Schemes. There are no separate classes of units and each unit has the same right attaching to it as all other units of the Schemes except for the Wholesale Global Share Fund, Wholesale Global Share Fund Hedged\* and Diversified Real Return Fund which have two classes of units in the Schemes - Class W for wholesale investors, Class A or Class Z for retail investors.

### *Capital risk management*

The Schemes consider their net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders for certain Schemes are classified as a liability. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Schemes are subject to daily applications and daily redemptions at the discretion of unitholders.

Applications and redemptions are reviewed relative to the liquidity of the Schemes' underlying assets on a daily basis by the Responsible Entity. Under the terms of the Schemes' Constitutions, the Responsible Entity has the discretion to reject an application and to defer or adjust a redemption if the exercise of such discretion is in the best interests of unitholders.

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

**8 Financial assets at fair value through profit or loss**

	Wholesale Dynamic Fixed Income Fund		Wholesale Income Share Fund		Wholesale Australian Share Fund		Wholesale Concentrated Equity Fund		Wholesale Ethical SRI Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
<b>Derivative</b>										
Futures	-	-	-	-	-	-	-	-	-	115
Debt securities	2,998	-	-	-	-	-	-	-	-	-
Equities	-	-	136,259	153,300	-	-	560,741	827,263	642,736	935,990
Unlisted unit trusts	27,007	19,029	-	15	692,706	954,791	31,082	35,682	-	-
<b>Total financial assets at fair value through profit or loss</b>	<b>30,005</b>	<b>19,029</b>	<b>136,259</b>	<b>153,315</b>	<b>692,706</b>	<b>954,791</b>	<b>591,823</b>	<b>862,945</b>	<b>642,736</b>	<b>936,105</b>
	Wholesale Geared Australian Share Fund		Wholesale Industrial Share Fund		Wholesale International Share Fund		Wholesale SHARE-PLUS Long-Short Fund		Wholesale Smaller Companies Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
<b>Derivatives</b>										
Options	-	-	-	-	-	-	586	256	-	-
Foreign exchange forward contracts	-	-	-	-	-	-	103	58	-	-
Equities	632,178	1,213,977	-	-	-	-	896,916	1,282,784	529,423	657,007
Unlisted unit trusts	-	-	1,187,405	1,626,733	93,961	112,407	100	100	18,010	132,579
<b>Total financial assets at fair value through profit or loss</b>	<b>632,178</b>	<b>1,213,977</b>	<b>1,187,405</b>	<b>1,626,733</b>	<b>93,961</b>	<b>112,407</b>	<b>897,705</b>	<b>1,283,198</b>	<b>547,433</b>	<b>789,586</b>

**8 Financial assets at fair value through profit or loss (continued)**

	Wholesale Smaller Companies Fund No.2		Wholesale Conservative Growth Fund		Wholesale Diversified Growth Fund		Wholesale Balanced Growth Fund		Wholesale Split Growth Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
	<b>Derivatives</b>									
Futures	-	-	111	300	65	105	-	-	-	-
Options	-	-	359	435	168	191	-	-	-	-
Foreign exchange forward contracts	-	-	1,003	228	520	116	-	-	-	-
Equities	-	-	16,956	14,205	6,455	5,641	-	-	-	-
Debt securities	-	-	10,142	13,839	2,597	3,927	-	-	-	-
Unlisted unit trusts	66,153	80,341	299,465	326,992	87,561	101,819	536,578	643,282	37,418	44,269
<b>Total financial assets at fair value through profit or loss</b>	<b>66,153</b>	<b>80,341</b>	<b>328,036</b>	<b>355,999</b>	<b>97,366</b>	<b>111,799</b>	<b>536,578</b>	<b>643,282</b>	<b>37,418</b>	<b>44,269</b>

	Wholesale Global Share Fund		Wholesale Global Share Fund Hedged*		Diversified Real Return Fund		Ethical SRI Credit Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
	<b>Derivatives</b>							
Futures	-	-	-	-	142	904	-	-
Options	-	110	-	-	1,222	1,161	-	-
Swaps	-	-	-	-	-	-	91	-
Foreign exchange forward contracts	269	320	61	127	1,285	1,193	-	-
Equities	433,663	535,527	-	-	135,425	59,474	-	-
Debt securities	-	-	-	-	-	-	35,765	25,930
Unlisted unit trusts	-	-	34,226	21,880	333,092	391,021	-	-
<b>Total financial assets at fair value through profit or loss</b>	<b>433,932</b>	<b>535,957</b>	<b>34,287</b>	<b>22,007</b>	<b>471,166</b>	<b>453,753</b>	<b>35,856</b>	<b>25,930</b>

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

Perpetual Wholesale Funds  
Notes to the financial statements  
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**9 Financial liabilities at fair value through profit or loss**

	Wholesale Geared Australian Share Fund		Wholesale SHARE-PLUS Long-Short Fund		Wholesale Conservative Growth Fund	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Derivatives</b>						
Futures	-	27	-	-	172	677
Swaps	-	-	-	-	2,228	3,089
Foreign exchange forward contracts	-	-	- **	45	56	78
Equity securities sold short	-	-	171,857	252,733	-	-
<b>Total financial liabilities at fair value through profit or loss</b>	-	27	171,857	252,778	2,456	3,844

	Wholesale Diversified Growth Fund		Wholesale Global Share Fund		Wholesale Global Share Fund Hedged*	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Derivatives</b>						
Futures	63	228	14	-	-	-
Options	32	-	-	-	-	-
Swaps	735	1,018	-	-	-	-
Foreign exchange forward contracts	14	38	561	284	317	21
<b>Total financial liabilities at fair value through profit or loss</b>	844	1,284	575	1,284	317	284

	Diversified Real Return Fund		Ethical SRI Credit Fund	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	\$'000	\$'000	\$'000	\$'000
<b>Derivatives</b>				
Futures	2,225	1,425	-	-
Options	268	-	-	-
Swaps	6,693	8,687	1,033	635
Foreign exchange forward contracts	143	217	-	-
<b>Total financial liabilities at fair value through profit or loss</b>	9,329	10,329	1,033	635

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

\*\* Wholesale SHARE-PLUS Long Short Fund has a lending of securities facility. This facility contains a covenant stating that at any time, the Net Assets of the Scheme must be greater than 70% of the net assets as per their recent audited financial statements (30 June 2019), otherwise the default clauses of the debt agreements will be activated. The Scheme did not meet this covenant for the period of 1 March 2020 to 22 September 2020. However, the Responsible Entity obtained a waiver letter from the bank until 22 September 2020. Accordingly, the default clauses were not executed.

**10 Receivables**

	Wholesale Dynamic Fixed Income Fund		Wholesale Income Share Fund		Wholesale Australian Share Fund		Wholesale Concentrated Equity Fund		Wholesale Ethical SRI Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
Dividends/distributions receivable	129	351	684	758	25,639	42,289	374	1,619	1,122	3,720
Interest receivable	-	-	-	-	-	-	-	-	-	4
Applications receivable	72	42	-	-	55	129	181	498	762	527
Other receivables	-	-	139	44	-	-	408	125	420	314
<b>Total receivables</b>	<b>201</b>	<b>393</b>	<b>823</b>	<b>802</b>	<b>25,694</b>	<b>42,418</b>	<b>963</b>	<b>2,242</b>	<b>2,304</b>	<b>4,565</b>

	Wholesale Geared Australian Share Fund		Wholesale Industrial Share Fund		Wholesale International Share Fund		Wholesale SHARE-PLUS Long-Short Fund		Wholesale Smaller Companies Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
Dividends/distributions receivable	663	2,205	106,405	124,721	3,952	9,867	1,815	3,185	1,491	1,743
Interest receivable	11	194	-	-	-	-	7	36	-	-
Applications receivable	413	439	496	460	1	13	404	1,163	261	493
Other receivables	474	193	228	229	22	28	765	244	147	136
<b>Total receivables</b>	<b>1,561</b>	<b>3,031</b>	<b>107,129</b>	<b>125,410</b>	<b>3,975</b>	<b>9,908</b>	<b>2,991</b>	<b>4,628</b>	<b>1,899</b>	<b>2,372</b>

Perpetual Wholesale Funds  
Notes to the financial statements  
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(continued)

**10 Receivables (continued)**

	Wholesale Smaller Companies Fund No.2		Wholesale Conservative Growth Fund		Wholesale Diversified Growth Fund		Wholesale Balanced Growth Fund		Wholesale Split Growth Fund	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Dividends/distributions receivable	2,498	1,406	6,505	11,153	2,554	4,526	25,635	33,971	2,244	4,759
Applications receivable	4	27	469	431	44	128	104	97	18	13
Other receivables	-	-	29	22	10	8	-	-	8	9
<b>Total receivables</b>	<b>2,502</b>	<b>1,433</b>	<b>7,003</b>	<b>11,606</b>	<b>2,608</b>	<b>4,662</b>	<b>25,739</b>	<b>34,068</b>	<b>2,270</b>	<b>4,781</b>

	Wholesale Global Share Fund		Wholesale Global Share Fund Hedged*		Diversified Real Return Fund		Ethical SRI Credit Fund	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Dividends/distributions receivable	1,036	472	1,440	1,922	7,050	13,736	-	-
Interest receivable	-	2	-	-	-	-	3	4
Applications receivable	222	629	-	1	452	1,208	114	-
Other receivables	469	587	6	5	72	35	8	5
<b>Total receivables</b>	<b>1,727</b>	<b>1,690</b>	<b>1,446</b>	<b>1,928</b>	<b>7,574</b>	<b>14,979</b>	<b>125</b>	<b>9</b>

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

**11 Payables**

	Wholesale Dynamic Fixed Income Fund		Wholesale Income Share Fund		Wholesale Australian Share Fund		Wholesale Concentrated Equity Fund		Wholesale Ethical SRI Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
Responsible Entity's fees payable	2	-	133	143	-	-	636	837	782	1,107
Redemptions payable	35	14	-	364	396	778	539	692	584	1,839
<b>Total payables</b>	<b>37</b>	<b>14</b>	<b>133</b>	<b>507</b>	<b>396</b>	<b>778</b>	<b>1,175</b>	<b>1,529</b>	<b>1,366</b>	<b>2,946</b>

	Wholesale Geared Australian Share Fund		Wholesale Industrial Share Fund		Wholesale International Share Fund		Wholesale SHARE-PLUS Long-Short Fund		Wholesale Smaller Companies Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
Responsible Entity's fees payable	656	1,212	1,230	461	114	131	1,070	1,457	657	854
Redemptions payable	436	1,103	809	2,055	118	66	857	2,173	522	1,040
Other payables	-	-	-	-	-	-	1,110	298	-	-
<b>Total payables</b>	<b>1,092</b>	<b>2,315</b>	<b>2,039</b>	<b>2,516</b>	<b>232</b>	<b>197</b>	<b>3,037</b>	<b>3,928</b>	<b>1,179</b>	<b>1,894</b>

## 11 Payables (continued)

	Wholesale Smaller Companies Fund No.2		Wholesale Conservative Growth Fund		Wholesale Diversified Growth Fund		Wholesale Balanced Growth Fund		Wholesale Split Growth Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
	Responsible Entity's fees payable	-	-	149	149	48	50	-	-	40
Redemptions payable	45	-	128	460	44	666	340	865	42	10
<b>Total payables</b>	<b>45</b>	<b>-</b>	<b>277</b>	<b>609</b>	<b>92</b>	<b>716</b>	<b>340</b>	<b>865</b>	<b>82</b>	<b>56</b>

	Wholesale Global Share Fund		Wholesale Global Share Fund Hedged*		Diversified Real Return Fund		Ethical SRI Credit Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
	Responsible Entity's fees payable	264	280	31	18	269	202	27
Performance fees payable	-	-	-	-	-	12	-	-
Redemptions payable	378	1,558	-	-	76	282	-	-
<b>Total payables</b>	<b>642</b>	<b>1,838</b>	<b>31</b>	<b>18</b>	<b>345</b>	<b>496</b>	<b>27</b>	<b>17</b>

## 12 Borrowings and interest payables

	Wholesale Geared Australian Share Fund	
	30 June 2020 \$'000	30 June 2019 \$'000
	Bank overdraft	272,368
Loan interest payable	122	929
<b>Total borrowings and interest payables</b>	<b>272,490</b>	<b>642,391</b>

The carrying amount of the bank overdraft represents amount drawn under a cash advance facility, which approximates the fair value. This arrangement is available for Wholesale Geared Australian Share Fund for the purpose of gearing the investments of the Scheme. The bank overdraft facility contains a covenant stating that at any time, the Net Assets of these Schemes must be greater than 70% of the net assets as per their recent audited financial statements (30 June 2019), otherwise the default clauses of the debt agreements will be activated.

The Schemes did not meet this covenant for the period of 1 March 2020 to 22 September 2020. However, the Responsible Entity obtained a waiver letter from the bank until 22 September 2020. Accordingly, the default clauses were not executed.

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

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

	Wholesale Dynamic Fixed Income Fund		Wholesale Income Share Fund		Wholesale Australian Share Fund		Wholesale Concentrated Equity Fund		Wholesale Ethical SRI Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
<b>(a) Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities</b>										
Operating profit/(loss)	401	1,236	(17,936)	8,903	(82,303)	55,780	(106,800)	35,419	(68,203)	(20,958)
(Increase)/decrease in dividends/distributions receivable	222	(228)	74	433	16,650	17,514	1,245	3,596	2,598	8,084
(Increase)/decrease in interest receivable	-	-	-	-	-	-	-	1	4	1
(Increase)/decrease in other receivables	-	-	(95)	1	-	-	(283)	119	(106)	26
Increase/(decrease) in payables	2	-	(10)	5	-	-	(201)	(166)	(325)	(286)
Net (gains)/losses on financial instruments at fair value through profit or loss	197	(322)	22,932	(317)	126,451	22,638	128,528	9,166	92,063	53,083
Net foreign exchange (gains)/losses	-	-	-	-	-	-	-	40	(158)	323
<b>Net cash inflow/(outflow) from operating activities</b>	<b>822</b>	<b>686</b>	<b>4,965</b>	<b>9,025</b>	<b>60,798</b>	<b>95,932</b>	<b>22,489</b>	<b>48,175</b>	<b>25,873</b>	<b>40,273</b>
<b>(b) Components of cash and cash equivalents</b>										
Cash at the end of the year as shown in the statements of cash flows is reconciled to the balance sheets as follows:										
Cash at bank	850	648	4,702	14,721	-	-	12,170	2,582	55,762	110,130
Margin accounts	-	-	-	43	-	-	-	-	-	328
<b>Total cash and cash equivalents</b>	<b>850</b>	<b>648</b>	<b>4,702</b>	<b>14,764</b>	<b>-</b>	<b>-</b>	<b>12,170</b>	<b>2,582</b>	<b>55,762</b>	<b>110,458</b>
<b>(c) Non-cash financing activities</b>										
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plans	191	110	5,317	12,044	35,941	27,761	31,126	35,283	15,419	37,137

**13 Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities (continued)**

	Wholesale Geared Australian Share Fund		Wholesale Industrial Share Fund		Wholesale International Share Fund		Wholesale SHARE-PLUS Long-Short Fund		Wholesale Smaller Companies Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
<b>(a) Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities</b>										
Operating profit/(loss)	(163,281)	57,900	(166,202)	69,953	(4,637)	11,621	(59,049)	23,817	14,594	6,414
(Increase)/decrease in dividends/distributions receivable	1,542	5,372	18,316	19,448	5,915	11,702	1,370	5,352	252	255
(Increase)/decrease in interest receivable	183	(120)	-	-	-	-	29	69	-	1
(Increase)/decrease in other receivables	(281)	110	1	31	6	1	(521)	203	(11)	110
Increase/(decrease) in payables	(556)	(99)	769	(18)	(17)	(8)	425	(1,170)	(197)	(187)
Net (gains)/losses on financial instruments at fair value through profit or loss	191,031	1,692	298,119	89,592	7,878	(2,658)	71,356	12,883	(1,217)	20,055
Net foreign exchange (gains)/losses	917	87	-	-	-	-	(7)	540	-	-
<b>Net cash inflow/(outflow) from operating activities</b>	<b>29,555</b>	<b>64,942</b>	<b>151,003</b>	<b>179,006</b>	<b>9,145</b>	<b>20,658</b>	<b>13,603</b>	<b>41,694</b>	<b>13,421</b>	<b>26,648</b>
<b>(b) Components of cash and cash equivalents</b>										
Cash at the end of the year as shown in the statements of cash flows is reconciled to the balance sheets as follows:										
Bank overdraft	(272,368)	(641,462)	-	-	-	-	-	-	-	-
Cash at bank	371	4,527	-	-	-	-	35,975	134,430	10,336	3,464
Margin accounts	-	127	-	-	-	-	-	1,792	-	-
<b>Total cash and cash equivalents/(bank overdraft)</b>	<b>(271,997)</b>	<b>(636,808)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,975</b>	<b>136,222</b>	<b>10,336</b>	<b>3,464</b>
<b>(c) Non-cash financing activities</b>										
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plans	30,763	32,442	10,983	14,681	691	127	9,445	24,416	18,534	80,912
<b>(d) Reconciliation of liabilities arising from financing activities</b>										
Bank overdraft at the beginning of the year	641,462	687,669	-	-	-	-	-	-	-	-
Cash flows	(369,094)	(46,207)	-	-	-	-	-	-	-	-
<b>Bank overdraft at the end of the year</b>	<b>272,368</b>	<b>641,462</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**13 Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities (continued)**

	Wholesale Smaller Companies Fund No.2		Wholesale Conservative Growth Fund		Wholesale Diversified Growth Fund		Wholesale Balanced Growth Fund		Wholesale Split Growth Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
<b>(a) Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities</b>										
Operating profit/(loss)	914	920	1,795	25,462	(854)	8,828	(14,473)	51,625	(2,505)	3,866
(Increase)/decrease in dividends/distributions receivable	(1,092)	5,788	4,648	(1,294)	1,972	153	8,336	(1,855)	2,515	400
(Increase)/decrease in other receivables	-	-	(7)	8	(2)	3	-	-	1	1
Increase/(decrease) in payables	-	-	-	8	(2)	(4)	-	-	(6)	-
Net (gains)/losses on financial instruments at fair value through profit or loss	2,744	2,438	7,404	(9,583)	4,023	(2,754)	41,585	(8,622)	4,789	981
Net foreign exchange (gains)/losses	-	-	482	(113)	235	(56)	-	-	-	-
<b>Net cash inflow/(outflow) from operating activities</b>	<b>2,566</b>	<b>9,146</b>	<b>14,322</b>	<b>14,488</b>	<b>5,372</b>	<b>6,170</b>	<b>35,448</b>	<b>41,148</b>	<b>4,794</b>	<b>5,248</b>
<b>(b) Components of cash and cash equivalents</b>										
Cash at the end of the year as shown in the statements of cash flows is reconciled to the balance sheets as follows:										
Cash at bank	-	-	3,675	2,307	4,064	1,939	-	-	-	-
Margin accounts	-	-	2,964	4,178	1,394	1,548	-	-	-	-
<b>Total cash and cash equivalents</b>	<b>-</b>	<b>-</b>	<b>6,639</b>	<b>6,485</b>	<b>5,458</b>	<b>3,487</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(c) Non-cash financing activities</b>										
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plans	1,393	5,929	11,530	10,047	3,737	3,609	24,845	23,394	2,786	3,217

**13 Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities (continued)**

	Wholesale Global Share Fund		Wholesale Global Share Fund Hedged*		Diversified Real Return Fund		Ethical SRI Credit Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	For the period 23 April 2018 to 30 June 2019 \$ '000
<b>(a) Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities</b>								
Operating profit/(loss)	(21,255)	61,493	(1,431)	1,309	2,382	23,376	(37)	754
(Increase)/decrease in dividends/distributions receivable	(564)	38	482	3,000	6,686	2,450	-	-
(Increase)/decrease in interest receivable	2	(1)	-	-	-	-	1	(4)
(Increase)/decrease in other receivables	118	150	(1)	1	(37)	-	(3)	(5)
Increase/(decrease) in payables	(16)	17	13	(4)	55	53	10	17
Net (gains)/losses on financial instruments at fair value through profit or loss	24,048	(47,379)	2,634	714	7,256	(5,015)	676	32
Net foreign exchange (gains)/losses	(1,314)	(2,085)	157	(190)	760	(359)	39	(5)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>1,019</b>	<b>12,233</b>	<b>1,854</b>	<b>4,830</b>	<b>17,102</b>	<b>20,505</b>	<b>686</b>	<b>789</b>
<b>(b) Components of cash and cash equivalents</b>								
Cash at the end of the year as shown in the statements of cash flows is reconciled to the balance sheets as follows:								
Cash at bank	68,440	79,469	1	-	32,935	2,832	6,772	4,976
Margin accounts	1,330	(1)	-	-	16,262	12,677	290	300
<b>Total cash and cash equivalents</b>	<b>69,770</b>	<b>79,468</b>	<b>1</b>	<b>-</b>	<b>49,197</b>	<b>15,509</b>	<b>7,062</b>	<b>5,276</b>
<b>(c) Non-cash financing activities</b>								
During the year, the following distribution payments were satisfied by the issue of units under the distribution reinvestment plans	42,910	98,342	-	1,081	5,180	8,778	585	531

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

**14 Remuneration of auditors**

<b>Wholesale Dynamic Fixed Income Fund</b>		<b>Wholesale Income Share Fund</b>		<b>Wholesale Australian Share Fund</b>		<b>Wholesale Concentrated Equity Fund</b>		<b>Wholesale Ethical SRI Fund</b>		
<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Amount received or due and receivable by KPMG:										
Audit of financial statements	<b>5,347</b>	11,248	<b>14,701</b>	14,555	<b>11,361</b>	11,248	<b>20,197</b>	19,997	<b>20,197</b>	19,997
Other regulatory assurance services	<b>2,648</b>	2,718	<b>3,931</b>	3,917	<b>2,751</b>	2,718	<b>4,122</b>	4,102	<b>4,122</b>	4,102
Total	<b>7,995</b>	13,966	<b>18,632</b>	18,472	<b>14,112</b>	13,966	<b>24,319</b>	24,099	<b>24,319</b>	24,099

<b>Wholesale Geared Australian Share Fund</b>		<b>Wholesale Industrial Share Fund</b>		<b>Wholesale International Share Fund</b>		<b>Wholesale SHARE-PLUS Long-Short Fund</b>		<b>Wholesale Smaller Companies Fund</b>		
<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Amount received or due and receivable by KPMG:										
Audit of financial statements	<b>20,197</b>	19,997	<b>11,361</b>	11,248	<b>11,361</b>	11,248	<b>20,197</b>	19,997	<b>20,197</b>	19,997
Other regulatory assurance services	<b>4,122</b>	4,102	<b>2,751</b>	2,718	<b>2,751</b>	2,718	<b>4,122</b>	4,102	<b>4,122</b>	4,102
Total	<b>24,319</b>	24,099	<b>14,112</b>	13,966	<b>14,112</b>	13,966	<b>24,319</b>	24,099	<b>24,319</b>	24,099

**Perpetual Wholesale Funds**  
**Notes to the financial statements**  
**For the year ended 30 June 2020**  
**(continued)**

**14 Remuneration of auditors (continued)**

	<b>Wholesale Smaller Companies Fund No.2</b>		<b>Wholesale Conservative Growth Fund</b>		<b>Wholesale Diversified Growth Fund</b>		<b>Wholesale Balanced Growth Fund</b>		<b>Wholesale Split Growth Fund</b>	
	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2020</b>	<b>30 June 2019</b>
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Amount received or due and receivable by KPMG:										
Audit of financial statements	<b>8,389</b>	8,306	<b>19,018</b>	18,830	<b>19,018</b>	18,830	<b>11,361</b>	11,248	<b>8,389</b>	8,307
Other regulatory assurance services	<b>2,648</b>	2,618	<b>4,081</b>	4,063	<b>4,081</b>	4,063	<b>2,751</b>	2,718	<b>2,648</b>	2,617
Total	<b>11,037</b>	10,924	<b>23,099</b>	22,893	<b>23,099</b>	22,893	<b>14,112</b>	13,966	<b>11,037</b>	10,924

	<b>Wholesale Global Share Fund</b>		<b>Wholesale Global Share Fund Hedged*</b>		<b>Diversified Real Return Fund</b>		<b>Ethical SRI Credit Fund</b>	
	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2020</b>	<b>30 June 2019</b>
	\$	\$	\$	\$	\$	\$	\$	\$
Amount received or due and receivable by KPMG:								
Audit of financial statements	<b>22,343</b>	22,122	<b>9,160</b>	12,050	<b>19,687</b>	19,492	<b>16,430</b>	16,267
Other regulatory assurance services	<b>4,196</b>	4,175	<b>3,853</b>	3,830	<b>4,104</b>	4,085	<b>2,926</b>	557
Total	<b>26,539</b>	26,297	<b>13,013</b>	15,880	<b>23,791</b>	23,577	<b>19,356</b>	16,824

Audit fees were paid or payable by the Responsible Entity.

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

## **15 Related party transactions**

### **Responsible Entity**

The Responsible Entity of the Perpetual Wholesale Funds is Perpetual Investment Management Limited (ABN 18 000 866 535), a wholly owned subsidiary of Perpetual Limited (ACN 000 431 827).

The Schemes do not employ personnel in their own right. However, they are required to have an incorporated Responsible Entity to manage the activities of the Schemes and this is considered the key management personnel.

### **Key management personnel**

#### **(a) Directors**

The directors of Perpetual Investment Management Limited during the financial year or since the end of the year and up to the date of this report were as follows:

A Apted (appointed 9 April 2020)

A Gazal (appointed 9 April 2020)

D Lane (appointed 20 April 2017)

R Adams (appointed 17 October 2018, resigned 9 April 2020)

C Green (appointed 17 October 2018, resigned 9 April 2020)

#### **(b) Other key management personnel**

There were no other persons with responsibility for planning, directing and controlling the activities of the Schemes, directly or indirectly, during or since the end of the financial year.

### **Key management personnel unitholdings**

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

No key management personnel of the Responsible Entity held units in the Schemes as at 30 June 2020.

## 15 Related party transactions (continued)

### Transactions with key management personnel

Key management personnel services are provided by Perpetual Investment Management Limited and included in the Responsible Entity's fees. There is no separate charge for these services. There was no compensation paid directly by the Schemes to any of the key management personnel during the year.

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

### Responsible Entity's fees and other transactions

Under the terms of the Schemes' Constitutions (as amended), the Responsible Entity is entitled to receive management fees calculated by reference to the net asset value of the relevant unit classes of the Schemes offering multi units classes or the net asset values of the Schemes offering a single unit class (except for the Wholesale Geared Australian Share Fund and Wholesale SHARE-PLUS Long-Short Fund which is a percentage of the gross asset value and sum of the long and short positions respectively). Where the Schemes invest into other Schemes, the Responsible Entity's Fees are calculated after rebating management fees charged by the underlying Schemes.

Schemes	Responsible Entity's fees % p.a.
Wholesale Dynamic Fixed Income Fund	0.550
Wholesale Income Share Fund	0.990
Wholesale Australian Share Fund	0.990
Wholesale Concentrated Equity Fund	1.100
Wholesale Ethical SRI Fund	1.175
Wholesale Geared Australian Share Fund	1.170
Wholesale Industrial Share Fund	0.990
Wholesale International Share Fund	1.226
Wholesale SHARE-PLUS Long-Short Fund	0.990
Wholesale Smaller Companies Fund	1.250
Wholesale Smaller Companies Fund No. 2	1.250
Wholesale Conservative Growth Fund	0.900
Wholesale Diversified Growth Fund	0.960
Wholesale Balanced Growth Fund	1.040
Wholesale Split Growth Fund	1.160
Wholesale Global Share Fund - Class W	0.000
Wholesale Global Share Fund - Class A	1.100
Wholesale Global Share Fund Hedged - Class	0.000
Wholesale Global Share Fund Hedged - Class A*	1.100
Diversified Real Return Fund - Class W	0.850
Diversified Real Return Fund - Class Z	0.350
Perpetual Ethical SRI Credit Fund - Class A	0.700
Perpetual Ethical SRI Credit Fund - Class W	0.000

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

## 15 Related party transactions (continued)

### Responsible Entity's fees and other transactions (continued)

The Responsible Entity is also entitled to receive performance fees. The Wholesale SHARE-PLUS Long-Short Fund has a performance fee of 13.98% p.a. of the difference between the Scheme's daily return and its performance hurdle multiplied by the Scheme's adjusted net asset value subject to the conditions in the offer document being met. The Perpetual Wholesale Global Share Fund (Class A) and the Perpetual Wholesale Global Share Fund Hedged (Class A)\* have a performance fee of 15% between the unit class' daily return and their performance hurdle multiplied by the unit class' adjusted net asset value subject to the conditions in the offer document being met. The Perpetual Diversified Real Return Fund (Class Z) has a performance fee of 10% between the unit class' daily return and its performance hurdle multiplied by the unit class' adjusted net asset value subject to the conditions in the offer document being met.

The transactions during the year and amounts payable/receivable at the reporting date between the Schemes and the Responsible Entity were as follows:

	<b>Wholesale Dynamic Fixed Income Fund</b>		<b>Wholesale Income Share Fund</b>		<b>Wholesale Australian Share Fund</b>		<b>Wholesale Concentrated Equity Fund</b>		<b>Wholesale Ethical SRI Fund</b>	
	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Responsible Entity's fees	<b>7,178</b>	2,667	<b>1,547,694</b>	1,542,746	<b>1</b>	1	<b>8,089,940</b>	9,752,950	<b>9,893,970</b>	13,723,006
Responsible Entity's fee payable	<b>1,718</b>	4	<b>133,479</b>	143,213	-	-	<b>636,064</b>	837,492	<b>782,124</b>	1,107,208
Responsible Entity's rebates	<b>294</b>	120	-	-	<b>5,051</b>	3,624	-	-	-	-
Responsible Entity's rebates receivables	-	56	-	-	-	-	-	-	-	-

	<b>Wholesale Geared Australian Share Fund</b>		<b>Wholesale Industrial Share Fund</b>		<b>Wholesale International Share Fund</b>		<b>Wholesale SHARE-PLUS Long-Short Fund</b>		<b>Wholesale Smaller Companies Fund</b>	
	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019	<b>30 June 2020</b>	30 June 2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Responsible Entity's fees	<b>11,305,668</b>	13,655,914	<b>15,360,657</b>	18,248,578	<b>1,355,461</b>	1,502,078	<b>13,556,314</b>	17,405,661	<b>8,204,919</b>	10,695,867
Responsible Entity's fee payable	<b>655,617</b>	1,211,569	<b>1,229,637</b>	460,737	<b>114,054</b>	131,365	<b>1,070,368</b>	1,456,812	<b>657,026</b>	853,998

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

## 15 Related party transactions (continued)

### Responsible Entity's fees and other transactions (continued)

The transactions during the year and amounts payable/receivable at the reporting date between the Schemes and the Responsible Entity were as follows:

	Wholesale Smaller Companies Fund No.2		Wholesale Conservative Growth Fund		Wholesale Diversified Growth Fund		Wholesale Balanced Growth Fund		Wholesale Split Growth Fund	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Responsible Entity's fees	-	-	1,590,283	1,561,663	519,683	573,536	3	2	475,460	499,033
Responsible Entity's fee payable	-	-	148,689	149,098	48,134	49,752	-	-	40,157	46,759
Responsible Entity's rebates	157	607	-	-	-	-	8,689	7,157	-	-
			Wholesale Global Share Fund		Wholesale Global Share Fund Hedged*		Diversified Real Return Fund		Ethical SRI Credit Fund	
			30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
			\$	\$	\$	\$	\$	\$	\$	\$
Responsible Entity's fees			3,090,700	2,960,784	207,990	207,897	2,525,959	2,038,195	261,459	194,645
Responsible Entity's fee payable			264,194	280,143	31,052	17,889	268,559	201,561	26,506	16,741
Responsible Entity's rebates			-	-	-	-	37,752	57,012	-	-
Responsible Entity's rebates receivables			-	-	-	-	21,806	5,474	-	-
Performance fees			-	-	-	-	-	10,800	-	-
Performance fees payable			-	-	-	-	-	11,602	-	-

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

**15 Related party transactions (continued)**

**Related party unitholdings**

Parties related to the Schemes (including the Responsible Entity, its related parties and other schemes managed by the Responsible Entity) held units in the Schemes as follows:

	Number of	Interest	Number of	Number of	Distributions	Number of	Interest	Number of	Number of	Distributions
	units held	held	units	units	paid/payable	units held	held	units	units	paid/payable
	30 June	30 June	30 June	30 June	30 June	30 June				
<b>Wholesale Dynamic Fixed Income Fund</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	2019	2019	2019	2019	2019
	'000	%	'000	'000	\$'000	'000	%	'000	'000	\$'000
<b>Unitholders</b>										
Perpetual Limited	2,553	8.5	-	-	68	2,553	13.4	-	-	100
Perpetual WealthFocus Investment Advantage Fund	3,995	13.3	3,707	1,989	93	2,277	11.9	1,688	1,036	83
<b>Wholesale Income Share Fund</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	2019	2019	2019	2019	2019
	'000	%	'000	'000	\$'000	'000	%	'000	'000	\$'000
<b>Unitholder</b>										
The Trust Company Philanthropy Fund	116,036	85.1	11,374	6,133	4,161	110,795	83.1	17,985	8,296	7,654
<b>Wholesale Australian Share Fund</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	2019	2019	2019	2019	2019
	'000	%	'000	'000	\$'000	'000	%	'000	'000	\$'000
<b>Unitholder</b>										
Perpetual Super Wrap	716	0.1	40	-	31	676	0.1	27	2	52

**15 Related party transactions (continued)**

**Related party unitholdings (continued)**

Parties related to the Schemes (including the Responsible Entity, its related parties and other schemes managed by the Responsible Entity) held units in the Schemes as follows:

	Number of	Interest	Number of	Number of	Distributions	Number of	Interest	Number of	Number of	Distributions
	units held	held	units	units	paid/payable	units held	held	units	units	paid/payable
	30 June	30 June	30 June	30 June	30 June	30 June				
<b>Wholesale Concentrated Equity Fund</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	2019	2019	2019	2019	2019
	'000	%	'000	'000	\$'000	'000	%	'000	'000	\$'000
<b>Unitholders</b>										
Perpetual WealthFocus Investment Advantage Fund	22,972	4.5	5,757	5,242	1,073	22,457	4.0	4,716	5,152	3,968
Perpetual's Select Superannuation Fund	9,398	1.8	2,294	2,815	445	9,919	1.8	1,939	1,765	1,754
Perpetual Super Wrap	747	0.1	243	165	32	669	0.1	57	99	120
<b>Wholesale Ethical SRI Fund</b>	<b>30 June</b>	2019	2019	2019	2019	2019				
	'000	%	'000	'000	\$'000	'000	%	'000	'000	\$'000
<b>Unitholders</b>										
Perpetual Limited	324	0.1	227	85	20	182	0.3	19	202	14
Perpetual WealthFocus Investment Advantage Fund	27,332	6.6	4,045	9,190	1,747	32,477	5.9	6,464	10,639	2,572
Perpetual Super Wrap	797	0.2	79	27	48	745	0.1	105	138	55

**15 Related party transactions (continued)**

**Related party unitholdings (continued)**

Parties related to the Schemes (including the Responsible Entity, its related parties and other schemes managed by the Responsible Entity) held units in the Schemes as follows:

	<b>Number of units held 30 June 2020 '000</b>	<b>Interest held 30 June 2020 %</b>	<b>Number of units acquired 30 June 2020 '000</b>	<b>Number of units disposed 30 June 2020 '000</b>	<b>Distributions paid/payable 30 June 2020 \$'000</b>	<b>Number of units held 30 June 2019 '000</b>	<b>Interest held 30 June 2019 %</b>	<b>Number of units acquired 30 June 2019 '000</b>	<b>Number of units disposed 30 June 2019 '000</b>	<b>Distributions paid/payable 30 June 2019 \$'000</b>
<b>Wholesale Geared Australian Share Fund</b>										
<b>Unitholder</b>										
Perpetual WealthFocus Investment Advantage Fund	52,390	21.1	31,004	28,476	7,756	49,862	21.2	21,875	20,132	16,112
Perpetual Limited	-	-	-	-	-	-	-	6,937	6,937	-
<b>Wholesale Industrial Share Fund</b>										
<b>Unitholders</b>										
Perpetual Super Wrap	96	-	1	14	4	109	-	2	-	6

**15 Related party transactions (continued)**

**Related party unitholdings (continued)**

Parties related to the Schemes (including the Responsible Entity, its related parties and other schemes managed by the Responsible Entity) held units in the Schemes as follows:

	Number of	Interest	Number of	Number of	Distributions	Number of	Interest	Number of	Number of	Distributions
	units held	held	units	units	paid/payable	units held	held	units	units	paid/payable
	30 June	30 June	30 June	30 June	30 June	30 June				
<b>Wholesale SHARE-PLUS Long-Short Fund</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	2019	2019	2019	2019	2019
	'000	%	'000	'000	\$'000	'000	%	'000	'000	\$'000
<b>Unitholders</b>										
Perpetual Limited	159	0.1	167	274	17	266	0.1	33	71	32
Perpetual WealthFocus Investment Advantage Fund	21,285	6.7	6,043	6,270	2,278	21,512	5.0	8,635	6,636	2,619
Perpetual Super Wrap	7	-	-	6	1	13	-	3	12	2
<b>Wholesale Smaller Companies Fund</b>	<b>30 June</b>	30 June	30 June	30 June	30 June	30 June				
	2020	2020	2020	2020	2020	2019	2019	2019	2019	2019
	'000	%	'000	'000	\$'000	'000	%	'000	'000	\$'000
<b>Unitholders</b>										
Perpetual Balanced Growth Fund No.2	18,611	3.9	635	2,674	1,113	20,650	3.1	4,060	18,742	1,418
Perpetual WealthFocus Investment Advantage Fund	276,552	57.4	22,109	51,632	16,821	306,075	46.4	48,688	53,204	14,884
Perpetual Wholesale Conservative Growth Fund	2,163	0.4	81	737	129	2,819	0.4	589	2,846	207
Perpetual Wholesale Diversified Growth Fund	1,336	0.3	42	-	80	1,294	0.2	2,448	4,098	101
Perpetual Diversified Real Return Fund	9,632	2.0	305	-	576	9,327	1.4	1,285	3,026	516
Perpetual Wholesale Smaller Companies Fund No.2	59,510	12.4	8,566	18,752	3,658	69,696	10.6	21,071	19,921	3,357
Perpetual's Pooled Superannuation Trust	4,162	0.9	197	1,110	256	5,075	0.8	655	1,363	256
Perpetual Super Wrap	843	0.2	26	3	50	820	0.1	83	-	38

**15 Related party transactions (continued)**

**Related party unitholdings (continued)**

Parties related to the Schemes (including the Responsible Entity, its related parties and other schemes managed by the Responsible Entity) held units in the Schemes as follows:

	Number of	Interest	Number of	Number of	Distributions	Number of	Interest	Number of	Number of	Distributions
	units held	held	units	units	paid/payable	units held	held	units	units	paid/payable
	30 June	30 June	30 June	30 June	30 June	30 June				
<b>Wholesale Conservative Growth Fund</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	2019	2019	2019	2019	2019
	'000	%	'000	'000	\$'000	'000	%	'000	'000	\$'000
<b>Unitholders</b>										
Perpetual WealthFocus Investment Advantage Fund	20,333	7.0	5,191	3,993	921	19,135	6.3	2,893	3,863	1,011
Perpetual Super Wrap	1,088	0.4	10	181	50	1,259	0.4	14	8	66
Perpetual WealthFocus Superannuation Fund	59,110	20.4	11,731	16,438	2,713	63,817	20.9	13,988	20,465	3,390
<b>Wholesale Diversified Growth Fund</b>	<b>30 June</b>	30 June	30 June	30 June	30 June	30 June				
	2020	2020	2020	2020	2020	2019	2019	2019	2019	2019
	'000	%	'000	'000	\$'000	'000	%	'000	'000	\$'000
<b>Unitholders</b>										
Perpetual WealthFocus Investment Advantage Fund	7,718	8.5	2,013	2,046	401	7,751	8.0	1,657	1,520	521
Perpetual Super Wrap	288	0.3	-	-	15	288	0.3	-	-	19
Perpetual WealthFocus Superannuation Fund	35,588	39.1	6,576	13,178	1,868	42,190	43.4	5,813	14,907	2,886

**15 Related party transactions (continued)**

**Related party unitholdings (continued)**

Parties related to the Schemes (including the Responsible Entity, its related parties and other schemes managed by the Responsible Entity) held units in the Schemes as follows:

	<b>Number of units held 30 June 2020 '000</b>	<b>Interest held 30 June 2020 %</b>	<b>Number of units acquired 30 June 2020 '000</b>	<b>Number of units disposed 30 June 2020 '000</b>	<b>Distributions paid/payable 30 June 2020 \$'000</b>	<b>Number of units held 30 June 2019 '000</b>	<b>Interest held 30 June 2019 %</b>	<b>Number of units acquired 30 June 2019 '000</b>	<b>Number of units disposed 30 June 2019 '000</b>	<b>Distributions paid/payable 30 June 2019 \$'000</b>
<b>Wholesale Balanced Growth Fund</b>										
<b>Unitholder</b>										
Perpetual Superannuation Limited	15,615	3.8	1,851	-	1,435	13,764	3.1	850	-	1,781
<b>Wholesale Split Growth Fund</b>										
<b>Unitholder</b>										
Perpetual WealthFocus Investment Advantage Fund	17,084	52.4	2,837	3,760	791	18,007	52.0	4,236	3,261	2,186

**Perpetual Wholesale Funds**  
**Notes to the financial statements**  
**For the year ended 30 June 2020**  
**(continued)**

**15 Related party transactions (continued)**

**Related party unitholdings (continued)**

Parties related to the Schemes (including the Responsible Entity, its related parties and other schemes managed by the Responsible Entity) held units in the Schemes as follows:

Wholesale Global Share Fund	Number of	Interest	Number of	Number of	Distributions	Number of	Interest	Number of	Number of	Distributions
	units held	held	units	units	paid/payable	units held	held	units	units	paid/payable
	30 June	30 June	acquired	disposed	30 June	30 June	30 June	acquired	disposed	30 June
	2020	2020	30 June	30 June	2020	2019	2019	30 June	30 June	2019
	'000	%	'000	'000	\$'000	'000	%	'000	'000	\$'000
<b>Unitholders - Class W</b>										
Perpetual Balanced Growth Fund No.2	42,239	12.8	5,368	21,588	3,021	58,459	16.5	11,535	8,279	8,652
Perpetual Diversified Real Return Fund	20,313	6.2	2,232	6,099	1,444	24,180	6.8	4,646	-	3,560
Perpetual Private Investment Funds - International Share Fund	-	-	-	-	-	-	-	6,354	36,791	261
Perpetual Wholesale Conservative Growth Fund	3,837	1.2	610	3,485	273	6,712	1.9	1,315	884	996
Perpetual Wholesale Diversified Growth Fund	2,393	0.7	337	1,631	170	3,687	1.0	751	650	549
Perpetual Wholesale Global Share Fund	23,345	7.1	14,483	4,897	1,568	13,759	3.9	5,061	6,812	2,041
Perpetual Wholesale International Share Fund	64,051	19.4	8,971	15,569	4,597	70,649	19.9	17,181	14,502	10,465
Perpetual Wholesale Split Growth Fund	7,546	2.3	1,315	2,462	547	8,693	2.4	2,613	1,789	1,283
<b>Unitholders - Class A</b>										
Perpetual Limited	957	0.5	349	102	35	710	0.3	426	282	69
Perpetual's International Share Fund	119,112	57.4	15,888	20,873	4,406	124,097	58.5	32,451	18,493	12,123
<b>Wholesale Global Share Fund Hedged*</b>										
	Number of	Interest	Number of	Number of	Distributions	Number of	Interest	Number of	Number of	Distributions
	units held	held	units	units	paid/payable	units held	held	units	units	paid/payable
	30 June	30 June	acquired	disposed	30 June	30 June	30 June	acquired	disposed	30 June
	2020	2020	30 June	30 June	2020	2019	2019	30 June	30 June	2019
	'000	%	'000	'000	\$'000	'000	%	'000	'000	\$'000
<b>Unitholders - Class W</b>										
Perpetual Limited	4,964	14.3	-	-	168	4,964	23.1	-	-	-
<b>Unitholders - Class A</b>										
Perpetual Limited	4,964	16.3	-	-	118	4,964	29.8	-	-	-

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

**15 Related party transactions (continued)**

**Related party unitholdings (continued)**

Parties related to the Schemes (including the Responsible Entity, its related parties and other schemes managed by the Responsible Entity) held units in the Schemes as follows:

	Number of	Interest	Number of	Number of	Distributions	Number of	Interest	Number of	Number of	Distributions
	units held	held	units	units	paid/payable	units held	held	units	units	paid/payable
<b>Diversified Real Return Fund</b>	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2020	2020	2020	2020	2020	2019	2019	2019	2019	2019
	'000	%	'000	'000	\$'000	'000	%	'000	'000	\$'000
<b>Unitholders - Class W</b>										
Perpetual Limited	319	0.1	15	344	17	648	0.2	38	401	25
Perpetual Balanced Growth Fund No.2	89,105	18.7	2,585	21,609	4,723	108,129	25.4	4,790	13,943	4,191
Perpetual WealthFocus Investment Advantage Fund	15,142	3.2	2,641	3,923	802	16,424	3.9	11,041	2,734	603
Perpetual Wholesale Conservative Growth Fund	31,491	6.6	814	3,273	1,668	33,950	8.0	1,501	4,422	1,310
Perpetual Wholesale Diversified Growth Fund	9,494	2.0	270	2,069	503	11,293	2.7	490	1,145	436
<b>Unitholders - Class Z*</b>										
Perpetual Limited	487	1.0	261	-	26	226	1.6	226	-	8
<b>Ethical SRI Credit Fund</b>										
	Number of	Interest	Number of	Number of	Distributions	Number of	Interest held	Number of	Number of	Distributions
	units held	held	units	units	paid/payable	units held	for the	units	units	paid/payable
	30 June	30 June	30 June	30 June	30 June	for the	period 23	acquired	disposed	paid/payable
	2020	2020	2020	2020	2020	April 2018	April 2018	for the	for the	for the
						to	to	to	to	to
						30 June	30 June	30 June	30 June	30 June
						2019	2019	2019	2019	2019
<b>Unitholders - Class A</b>										
Perpetual Wholesale Diversified Income Fund	26,074	63.3	577	-	385	25,497	87.2	25,497	-	716

\*The related party unitholding in the Diversified Real Return Fund Class Z has been restated for the comparative year. This was not previously included as a related party unitholding.

**15 Related party transactions (continued)**

**Investments**

The Schemes held investments in the following schemes which are also managed by the Responsible Entity or its related parties:

	Number of units held 30 June 2020 '000	Fair value of investments 30 June 2020 \$'000	Interest held 30 June 2020 %	Number of units acquired 30 June 2020 '000	Number of units disposed 30 June 2020 '000	Distributions received/ receivable 30 June 2020 \$'000	Number of units held 30 June 2019 '000	Fair value of investments 30 June 2019 \$'000	Interest held 30 June 2019 %	Number of units acquired 30 June 2019 '000	Number of units disposed 30 June 2019 '000	Distributions received/ receivable 30 June 2019 \$'000
<b>Wholesale Dynamic Fixed Income Fund</b>												
<b>Investments</b>												
Perpetual Active Fixed Interest Fund	10,971	11,597	2.6	7,102	3,020	327	6,889	7,266	1.8	8,743	6,752	464
Perpetual Diversified Income Fund	16,147	15,410	1.3	7,866	3,898	264	12,179	11,762	0.9	11,741	6,963	438
<b>Wholesale Australian Share Fund</b>												
<b>Investment</b>												
Perpetual Australian Share Fund	174,416	692,706	62.8	24,528	54,071	44,143	203,959	954,791	66.2	42,441	78,161	78,414



**15 Related party transactions (continued)**

**Investments (continued)**

The Schemes held investments in the following schemes which are also managed by the Responsible Entity or its related parties:

	Number of units held 30 June 2020 '000	Fair value of investments 30 June 2020 \$'000	Interest held 30 June 2020 %	Number of units acquired 30 June 2020 '000	Number of units disposed 30 June 2020 '000	Distributions received/ receivable 30 June 2020 \$'000	Number of units held 30 June 2019 '000	Fair value of investments 30 June 2019 \$'000	Interest held 30 June 2019 %	Number of units acquired 30 June 2019 '000	Number of units disposed 30 June 2019 '000	Distributions received/ receivable 30 June 2019 \$'000
<b>Wholesale International Share Fund</b>												
<b>Investments</b>												
Perpetual Wholesale Global Share Fund - Class W	64,051	93,901	19.4	8,971	15,569	4,596	70,649	112,344	19.9	17,181	14,502	10,465
Perpetual's International Share Pool Fund	53	60	48.8	-	-	-	53	63	48.8	-	-	-
<b>Wholesale SHARE-PLUS Long-Short Fund</b>												
<b>Investment</b>												
Perpetual Institutional Cash Management Trust	100	100	-	-	-	1	100	100	-	-	-	2



**15 Related party transactions (continued)**

**Investments (continued)**

The Schemes held investments in the following schemes which are also managed by the Responsible Entity or its related parties:

	Number of units held	Fair value of investments	Interest held	Number of units acquired	Number of units disposed	Distributions received/ receivable	Number of units held	Fair value of investments	Interest held	Number of units acquired	Number of units disposed	Distributions received/ receivable
<b>Wholesale Conservative Growth Fund</b>	<b>30 June 2020</b>	<b>30 June 2020</b>	<b>30 June 2020</b>	<b>30 June 2020</b>	<b>30 June 2020</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2019</b>	<b>30 June 2019</b>	<b>30 June 2019</b>	<b>30 June 2019</b>	<b>30 June 2019</b>
	<b>'000</b>	<b>\$'000</b>	<b>%</b>	<b>'000</b>	<b>'000</b>	<b>\$'000</b>	<b>'000</b>	<b>\$'000</b>	<b>%</b>	<b>'000</b>	<b>'000</b>	<b>\$'000</b>
<b>Investments</b>												
Perpetual Active Fixed Interest Fund	93,236	98,551	21.8	5,298	4,788	3,404	92,726	97,798	23.6	3,021	4,253	5,547
Perpetual Active Fixed Interest Fund - Class A	21,501	22,626	12.3	1,152	-	744	20,349	21,367	16.0	636	-	1,193
Perpetual Australian Share Fund	8,655	34,373	3.1	588	915	2,127	8,982	42,044	2.9	2,701	1,001	3,296
Perpetual Diversified Income Fund	15,870	15,146	1.3	-	3,783	346	19,653	18,981	1.5	-	12,258	633
Perpetual Diversified Real Return Fund - Class W	31,491	32,832	6.7	814	3,273	1,668	33,950	36,878	8.0	1,500	4,421	1,310
Perpetual Economic Diversification Global Equity Fund	10,879	15,499	7.8	1,570	-	679	9,309	14,041	7.5	884	967	2,372
Perpetual Global Share Fund	3,837	5,625	1.2	610	3,485	273	6,712	10,674	1.9	1,315	884	996
Perpetual Institutional Cash Management Trust	24,098	24,098	2.1	62,297	61,100	243	22,901	22,901	1.6	76,735	54,000	199
Perpetual Pure Credit Alpha Fund	5,729	6,946	1.0	-	3,521	328	9,250	11,705	1.5	-	722	343
Perpetual Pure Equity Alpha Fund	3,970	4,344	1.3	160	-	289	3,810	4,150	1.0	416	807	186
Perpetual Smart Beta Emerging Market Equities Fund	6,643	6,630	12.7	301	321	565	6,663	8,037	12.3	258	-	332
Perpetual Wholesale Smaller Companies Fund	2,163	2,404	0.4	81	737	129	2,819	3,250	0.4	589	2,846	207

**15 Related party transactions (continued)**

**Investments (continued)**

The Schemes held investments in the following schemes which are also managed by the Responsible Entity or its related parties:

	Number of units held	Fair value of investments	Interest held	Number of units acquired	Number of units disposed	Distributions received/ receivable	Number of units held	Fair value of investments	Interest held	Number of units acquired	Number of units disposed	Distributions received/ receivable
<b>Wholesale Diversified Growth Fund</b>	<b>30 June 2020</b>	<b>30 June 2020</b>	<b>30 June 2020</b>	<b>30 June 2020</b>	<b>30 June 2020</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2019</b>	<b>30 June 2019</b>	<b>30 June 2019</b>	<b>30 June 2019</b>	<b>30 June 2019</b>
	'000	\$'000	%	'000	'000	\$'000	'000	\$'000	%	'000	'000	\$'000
<b>Investments</b>												
Perpetual Active Fixed Interest Fund	18,687	19,752	4.4	1,107	1,915	697	19,495	20,562	5.0	651	2,044	1,173
Perpetual Active Fixed Interest Fund - Class A	4,862	5,116	2.8	260	-	168	4,602	4,832	3.6	144	-	270
Perpetual Australian Share Fund	4,836	19,207	1.7	330	566	1,186	5,072	23,744	1.6	1,034	410	1,871
Perpetual Diversified Income Fund	1,533	1,463	0.1	-	1	28	1,534	1,481	0.1	-	2,387	61
Perpetual Diversified Real Return Fund - Class W	9,494	9,898	2.0	270	2,069	503	11,293	12,267	2.7	490	1,145	436
Perpetual Economic Diversification Global Equity Fund	6,831	9,732	4.9	986	-	426	5,845	8,816	4.7	593	1,052	1,490
Perpetual Institutional Cash Management Trust	2,053	2,053	0.2	26,529	27,500	17	3,024	3,024	0.2	26,650	25,700	44
Perpetual Pure Credit Alpha Fund	1,765	2,140	0.3	-	1,213	101	2,978	3,769	0.5	-	201	110
Perpetual Pure Equity Alpha Fund	1,589	1,738	0.5	64	-	116	1,525	1,660	0.4	173	451	70
Perpetual Smart Beta Emerging Market Equities Fund	3,603	3,596	6.9	164	200	306	3,639	4,390	6.7	141	-	181
Perpetual Wholesale Global Share Fund - Class W	2,393	3,506	0.7	336	1,631	170	3,688	5,864	1.0	751	649	549
Perpetual Wholesale Smaller Companies Fund	1,336	1,485	0.3	42	-	80	1,294	1,492	0.2	2,448	4,098	101

**15 Related party transactions (continued)**

**Investments (continued)**

The Schemes held investments in the following schemes which are also managed by the Responsible Entity or its related parties:

	Number of units held 30 June 2020 '000	Fair value of investments 30 June 2020 \$'000	Interest held 30 June 2020 %	Number of units acquired 30 June 2020 '000	Number of units disposed 30 June 2020 '000	Distributions received/ receivable 30 June 2020 \$'000	Number of units held 30 June 2019 '000	Fair value of investments 30 June 2019 \$'000	Interest held 30 June 2019 %	Number of units acquired 30 June 2019 '000	Number of units disposed 30 June 2019 '000	Distributions received/ receivable 30 June 2019 \$'000
<b>Wholesale Balanced Growth Fund</b>												
<b>Investment</b>												
Perpetual Balanced Growth Fund No.2	373,892	536,578	56.5	52,953	95,289	27,103	416,228	643,282	57.5	89,702	155,367	42,996
<b>Wholesale Split Growth Fund</b>												
<b>Investments</b>												
Perpetual Economic Diversification Global Equity Fund	8,877	12,647	6.4	1,991	1,833	554	8,719	13,152	7.0	1,770	1,758	2,222
Perpetual Industrial Share Fund	20,571	13,666	0.8	5,063	5,314	1,658	20,822	17,252	0.7	4,675	5,029	1,840
Perpetual Institutional Cash Management Trust	42	42	-	-	-	-	42	42	-	1	-	1
Perpetual Wholesale Global Share Fund - Class W	7,546	11,063	2.3	1,315	2,462	547	8,693	13,823	2.4	2,613	1,789	1,283



## 16 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 control, and the relevant activities are directed by means of contractual arrangements.

The Schemes consider all investments in unlisted unit trusts to be structured entities. The Schemes invest in related and unrelated unlisted unit trusts for the purpose of capital appreciation and earning investment income.

The unlisted unit trusts are invested in accordance with the investment strategy by their respective investment managers. The return of the unlisted unit trusts is exposed to the variability of the performance of their investments. The unlisted unit trusts finance their operations by issuing redeemable units which are puttable at the holder's option and entitle the holder to a proportional stake in the respective trusts' net assets and distributions.

The Schemes' exposure to structured entities is disclosed in note 15. The summary of exposures to the related unlisted unit trusts are disclosed in note 15. The fair value of these entities is included in financial assets at fair value through profit or loss in the balance sheets.

The Schemes' maximum exposure to loss from their interests in the structured entities is equal to the total fair value of their investments in these entities as there are no off balance sheet exposures relating to them. The Schemes' exposure to any risk from the structured entities will cease when these investments are disposed of.

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

### *Unconsolidated subsidiaries*

The Schemes apply the investment entity exception to consolidation available under AASB 10 *Consolidated Financial Statements* and measure their subsidiaries at fair value through profit or loss.

The following unconsolidated structured entities are considered to be the Schemes' subsidiaries at the reporting date:

	<b>Wholesale Australian Share Fund</b>			
	<b>Fair Value</b>		<b>Ownership interest</b>	
	<b>30 June</b>	30 June	<b>30 June</b>	30 June
	<b>2020</b>	2019	<b>2020</b>	2019
	<b>\$'000</b>	\$'000	<b>%</b>	%
Perpetual Australian Share Fund	<b>692,706</b>	954,791	<b>62.8</b>	66.2

The principal place of business for the above entities is Sydney, Australia.

## 16 Structured entities (continued)

### Unconsolidated subsidiaries (continued)

The following unconsolidated structured entities are considered to be the Schemes' subsidiaries at the reporting date:

	Wholesale Industrial Share Fund			
	Fair Value		Ownership interest	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 %	30 June 2019 %
Perpetual Industrial Share Fund - Class B	1,187,405	1,626,733	68.5	68.8

	Wholesale Balanced Growth Fund			
	Fair Value		Ownership interest	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 %	30 June 2019 %
Perpetual Balanced Growth Fund No.2	536,578	643,282	56.5	57.5

Each of the above subsidiaries is domiciled in Australia.

The subsidiary of the Wholesale Balanced Growth Fund controlled the following schemes which are domiciled in Australia:

	Perpetual Balanced Growth Fund No.2			
	Fair Value		Ownership interest	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 %	30 June 2019 %
Perpetual Economic Diversification Global Equity Fund	140,727	132,836	71.0	71.0
Perpetual Smart Beta Emerging Market Equities Fund	42,062	53,115	80.0	81.0

## **17 Financial risk management**

The Schemes' investing activities expose them to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

A risk management framework has been established by the Responsible Entity of the Schemes to monitor the Schemes' compliance with their governing documents and to minimise risks in their investment activities. This framework incorporates a regular assessment process to ensure procedures and controls adequately manage the investment activities. The Schemes are permitted to use derivative products. However, the use of derivatives must be consistent with the investment strategy and restrictions specified in the Schemes' governing documents.

During the market disruption led by COVID-19 during the year, the Responsible Entity continued to follow its established policies and processes in monitoring the risks as discussed in this note.

All investment securities present a risk of loss of capital. The maximum loss of capital on long equities, unlisted unit trusts and debt securities is limited to the fair values of those positions. On equities sold short, the maximum loss of capital is unlimited. The maximum loss of capital on derivatives is limited to the notional contract values of those positions.

The Schemes' asset managers aim to manage these risks through the use of consistent and carefully considered investment strategy and guidelines specifically tailored for the Schemes' investment objectives. Risk management techniques are used in the selection of investments. These include periodic stress testing for fixed income securities. Asset managers will only purchase securities (including derivatives) which meet the prescribed investment criteria. Risk may also be reduced by diversifying investments across several asset managers, markets, regions or different asset classes and counterparties.

The Schemes use different methods to measure different types of risks to which they are exposed. These methods include sensitivity analysis in the case of currency risk, interest rate risk, and price risk; and credit ratings analysis for credit risk.

### **(a) Market risk**

#### *(i) Currency risk*

Currency risk arises as the fair value or future cash flows of monetary securities denominated in foreign currency will fluctuate due to changes in exchange rates. The currency risk relating to non-monetary assets and liabilities is a component of price risk not currency risk. However, management monitors the exposures on all foreign currency denominated assets and liabilities.

The Schemes held foreign exchange forward contracts to protect the valuation of financial assets and liabilities against variations in the exchange rates. The Schemes do not designate any derivatives as hedges, and hence these derivative financial instruments are classified at fair value through profit or loss.

With the exception of Wholesale Global Share Fund and Wholesale Global Share Fund Hedged\*, the Schemes did not have any significant direct exposure to currency risk at the reporting date.

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

## 17 Financial risk management (continued)

### (a) Market risk (continued)

#### (i) Currency risk (continued)

The following table summarises the Schemes' exposure to currency risk (net of foreign currency exposure arising from derivatives where applicable):

	Wholesale Global Share Fund		Wholesale Global Share Fund Hedged*	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
United States Dollar	230,632	372,641	(16,080)	(14,356)
Euro	87,137	85,839	(6,361)	(3,225)
British Pound	-	-	(1,926)	(1,553)
Other currencies	123,201	118,055	(5,907)	(3,004)
<b>Total foreign currency exposure</b>	<b>440,970</b>	<b>576,535</b>	<b>(30,274)</b>	<b>(22,138)</b>

The table presented in note 17(a)(iv) summarises sensitivity analysis to currency risk. This analysis is based on the assumption that the Australian dollar weakened and strengthened against the individual foreign currency to which the Schemes are significantly exposed to at the reporting date.

#### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Schemes are exposed to cash flow interest rate risk on financial instruments with floating interest rates. Financial instruments with fixed interest rates expose the Schemes to fair value interest rate risk.

The Schemes' exposure to interest rate risk predominantly arises from cash and cash equivalents and units in cash management trusts, which earn/charge a floating rate of interest.

With the exception of the Wholesale Geared Australian Share Fund, Wholesale Conservative Growth Fund, Wholesale Diversified Growth Fund and Diversified Real Return Fund, the Schemes' exposure to interest rate risk is limited to their cash and cash equivalents and units in cash management trusts and debt securities, which earn/charge a floating rate of interest.

#### Wholesale Geared Australian Share Fund

The Scheme is exposed to interest rate risk on its cash holdings and borrowings. Interest income from cash holdings is received and interest expense from cash borrowings is incurred at variable interest rates. The weighted average interest rate received on cash holdings as at 30 June 2020 is 1.55% (2019: 1.55%). The interest rate paid on borrowings as at 30 June 2020 is 1.55% (2019: 1.55%).

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

## 17 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Interest rate risk (continued)

The following tables summarise the Schemes' exposure to interest rate risk:

#### Wholesale Dynamic Fixed Income Fund

	30 June 2020				30 June 2019			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Financial assets</b>								
Cash and cash equivalents	850	-	-	850	648	-	-	648
Debt securities	2,998	-	-	2,998	-	-	-	-

#### Wholesale SHARE-PLUS Long-Short Fund

	30 June 2020				30 June 2019			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Financial assets</b>								
Cash and cash equivalents	35,975	-	-	35,975	136,222	-	-	136,222
Cash management trusts	100	-	-	100	100	-	-	100

#### Wholesale Smaller Companies Fund

	30 June 2020				30 June 2019			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Financial assets</b>								
Cash and cash equivalents	10,336	-	-	10,336	3,464	-	-	3,464
Cash management trusts	18,011	-	-	18,011	132,579	-	-	132,579

## 17 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Interest rate risk (continued)

The following tables summarises the Schemes' exposure to interest rate risk:

#### Wholesale Conservative Growth Fund

	30 June 2020				30 June 2019			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Financial assets</b>								
Cash and cash equivalents	6,639	-	-	6,639	6,485	-	-	6,485
Cash management trusts	24,098	-	-	24,098	22,901	-	-	22,901
Debt securities	-	10,142	-	10,142	-	13,839	-	13,839
Derivatives	-	111	-	111	-	300	-	300
<b>Financial liabilities</b>								
Derivatives	2,228	8	-	2,236	3,089	383	-	3,472

#### Wholesale Diversified Growth Fund

	30 June 2020				30 June 2019			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Financial assets</b>								
Cash and cash equivalents	5,458	-	-	5,458	3,487	-	-	3,487
Cash management trusts	2,053	-	-	2,053	3,024	-	-	3,024
Debt securities	-	2,597	-	2,597	-	3,927	-	3,927
Derivatives	-	46	-	46	-	105	-	105
<b>Financial liabilities</b>								
Derivatives	735	4	-	739	1,018	123	-	1,141

## 17 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Interest rate risk (continued)

The following tables summarises the Schemes' exposure to interest rate risk:

#### Diversified Real Return Fund

	30 June 2020				30 June 2019			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Financial assets</b>								
Cash and cash equivalents	49,197	-	-	49,197	15,509	-	-	15,509
Cash management trusts	59,897	-	-	59,897	63,034	-	-	63,034
Derivatives	-	-	-	-	-	368	-	368
<b>Financial liabilities</b>								
Derivatives	6,693	37	-	6,730	8,687	636	-	9,323

#### Wholesale Ethical SRI Fund

	30 June 2020				30 June 2019			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Financial assets</b>								
Cash and cash equivalents	-	-	-	-	110,458	-	-	110,458

#### Wholesale Global Share Fund

	30 June 2020				30 June 2019			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Financial assets</b>								
Cash and cash equivalents	69,770	-	-	69,770	79,468	-	-	79,468

## 17 Financial risk management (continued)

### (a) Market risk (continued)

#### (ii) Interest rate risk (continued)

The following tables summarises the Schemes' exposure to interest rate risk:

#### Ethical SRI Credit Fund

	30 June 2020				30 June 2019			
	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000	Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000	Total \$'000
<b>Financial assets</b>								
Cash and cash equivalents	7,062	-	-	7,062	5,276	-	-	5,276
Debt securities	20,282	15,483	-	35,765	18,825	7,105	-	25,930
Derivatives	7	84	-	91	-	-	-	-
<b>Financial liabilities</b>								
Derivatives	310	723	-	1,033	469	166	-	635

The table presented in note 17(a)(iv) summarises sensitivity analysis to interest rate risk. This analysis assumes that all other variables, in particular foreign currency exchange rates remain constant.

## 17 Financial risk management (continued)

### (a) Market risk (continued)

#### (iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The Schemes are exposed to price risk predominantly through their investments for which prices in the future are uncertain. The price risk arising from investments in debt securities is impacted by movements in interest rates and is reflected in note 17(a)(ii).

The fair value of the Schemes' investments exposed to price risk was as follows:

	Wholesale Dynamic Fixed Income Fund		Wholesale Income Share Fund		Wholesale Australian Share Fund		Wholesale Concentrated Equity Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
	Equities	-	-	136,259	153,315	-	-	560,741
Units in fixed income trusts	27,007	19,029	-	-	-	-	-	-
Units in equity and other trusts	-	-	-	-	692,706	954,791	-	-

	Wholesale Ethical SRI Fund		Wholesale Geared Australian Share Fund		Wholesale Industrial Share Fund		Wholesale International Share Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
	Derivatives	-	115	-	(27)	-	-	-
Equities	642,736	935,990	632,178	1,213,977	-	-	-	-
Units in fixed income trusts	-	-	-	-	-	-	-	-
Units in equity and other trusts	-	-	-	-	1,187,405	1,626,733	93,961	112,407

## 17 Financial risk management (continued)

### (a) Market risk (continued)

#### (iii) Price risk (continued)

At the reporting date, the fair value of the Schemes' investments exposed to price risk was as follows:

	Wholesale SHARE-PLUS Long-Short Fund		Wholesale Smaller Companies Fund		Wholesale Smaller Companies Fund No. 2		Wholesale Conservative Growth Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
Derivatives	586	269	-	-	-	-	367	387
Equities	725,059	1,030,051	529,423	657,007	-	-	16,956	14,205
Units in fixed income trusts	-	-	-	-	-	-	143,268	149,852
Units in equity and other trusts	-	-	-	-	-	-	132,098	154,239
Unlisted units trusts	-	-	-	-	66,153	80,341	-	-

	Wholesale Diversified Growth Fund		Wholesale Balanced Growth Fund		Wholesale Split Growth Fund		Wholesale Global Share Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
Derivatives	95	85	-	-	-	-	-	110
Equities	6,455	5,641	-	-	-	-	433,663	535,527
Units in fixed income trusts	28,472	30,643	-	-	-	-	-	-
Units in equity and other trusts	57,036	68,153	536,578	643,282	37,418	44,227	-	-

## 17 Financial risk management (continued)

### (a) Market risk (continued)

#### (iii) Price risk (continued)

At the reporting date, the fair value of the Schemes' investments exposed to price risk was as follows:

	Wholesale Global Share Fund Hedged*		Diversified Real Return Fund	
	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
Derivatives	-	-	(1,092)	909
Equities	-	-	135,425	59,474
Units in fixed income trusts	-	-	100,259	113,646
Units in equity and other trusts	<b>34,226</b>	21,880	<b>172,936</b>	214,341

The tables presented in the note 17(a)(iv) summarise sensitivity analysis to price risk. This analysis assumes that all other variables remain constant.

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

## 17 Financial risk management (continued)

### (a) Market risk (continued)

The fair value of the Schemes' investments exposed to price risk was as follows:

#### (iv) Sensitivity analysis

The following tables summarise the sensitivity of the operating profit and net assets attributable to unitholders to currency risk, interest rate risk, and price risk. 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 currency exchange rates, interest rates and historical correlation of the Schemes' investments with the relevant benchmark and market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusual 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 Schemes invest. As a result, historic variations in risk variables should not be used to predict future variations in the risk variables.

#### Impact on operating profit/net assets attributable to unitholders

	Sensitivity rates	Wholesale Dynamic Fixed Income Fund		Wholesale Income Share Fund		Wholesale Australian Share Fund		Wholesale Concentrated Equity Fund		Wholesale Ethical SRI Fund	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Interest rate risk</b>	+0.25%	<b>10</b>	-	-	-	-	-	-	-	-	-
	-0.25%	<b>(10)</b>	-	-	-	-	-	-	-	-	-
<b>Price risk</b>											
Units in fixed income trusts	+5%	<b>1,350</b>	951	-	-	-	-	-	-	-	-
	-5%	<b>(1,350)</b>	(951)	-	-	-	-	-	-	-	-
Equities and equity related securities*	+10%	-	-	<b>13,626</b>	15,331	<b>69,271</b>	95,479	<b>56,074</b>	82,726	<b>64,274</b>	93,611
	-10%	-	-	<b>(13,626)</b>	(15,331)	<b>(69,271)</b>	(95,479)	<b>(56,074)</b>	(82,726)	<b>(64,274)</b>	(93,611)

\*Equities and equity related securities include listed equities, equity derivatives, units in equity and other trusts

## 17 Financial risk management (continued)

### (a) Market risk (continued)

(iv) Sensitivity analysis (continued)

Impact on operating profit/net assets attributable to unitholders											
		Wholesale Geared Australian Share Fund		Wholesale Industrial Share Fund		Wholesale International Share Fund		Wholesale SHARE-PLUS Long-Short Fund		Wholesale Smaller Companies Fund	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Interest rate</b>	+0.25%	680	-	-	-	-	-	90	-	71	-
	-0.25%	(680)	-	-	-	-	-	(90)	-	(71)	-
	+0.5%	-	3,184	-	-	-	-	-	682	-	680
	-0.5%	-	(3,184)	-	-	-	-	-	(682)	-	(680)
<b>Price risk</b>											
Equities and equity related securities*	+10%	63,218	121,395	118,740	162,673	9,396	11,241	72,565	103,031	51,141	65,701
	-10%	(63,218)	(121,395)	(118,740)	(162,673)	(9,396)	(11,241)	(72,565)	(103,031)	(51,141)	(65,701)

\*Equities and equity related securities include listed equities, equity derivatives, units in equity and other trusts

## 17 Financial risk management (continued)

### (a) Market risk (continued)

(iv) Sensitivity analysis (continued)

#### Impact on operating profit/net assets attributable to unitholders

	Sensitivity rates	Wholesale Smaller Companies Fund No. 2		Wholesale Conservative Growth Fund <sup>1</sup>		Wholesale Diversified Growth Fund		Wholesale Balanced Growth Fund		Wholesale Split Growth Fund	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Interest rate risk</b>	+0.25%	-	-	275	-	88	-	-	-	-	-
	-0.25%	-	-	(275)	-	(88)	-	-	-	-	-
	+0.5%	-	-	-	631	-	(201)	-	-	-	-
	-0.5%	-	-	-	(631)	-	201	-	-	-	-
<b>Price risk</b>											
Units in fixed income trusts	+5%	-	-	7,163	7,493	1,424	1,532	-	-	-	-
	-5%	-	-	(7,163)	(7,493)	(1,424)	(1,532)	-	-	-	-
Equities and equity related securities*	+10%	6,615	8,034	14,942	16,883	6,359	7,388	53,658	64,328	3,742	4,423
	-10%	(6,615)	(8,034)	(14,942)	(16,883)	(6,359)	(7,388)	(53,658)	(64,328)	(3,742)	(4,423)

\*Equities and equity related securities include listed equities, equity derivatives, units in equity and other trusts

<sup>1</sup>The Scheme is exposed to interest risk however it was not considered significant.

## 17 Financial risk management (continued)

### (a) Market risk (continued)

(iv) Sensitivity analysis (continued)

Impact on operating profit/net assets attributable to unitholders									
		Wholesale Global Share Fund		Wholesale Global Share Fund Hedged*		Diversified Real Return Fund**		Ethical SRI Credit Fund	
Sensitivity rates		30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000	30 June 2020 \$'000	30 June 2019 \$'000
<b>Currency risk</b>									
USD	+10%	(23,063)	(37,264)	(1,608)	(1,436)	-	-	-	-
	-10%	23,063	37,264	1,608	1,436	-	-	-	-
EUR	+8%	(6,971)	(6,867)	(509)	(258)	-	-	-	-
	-8%	6,971	6,867	509	258	-	-	-	-
GBP	+8%	-	-	(154)	(124)	-	-	-	-
	-8%	-	-	154	124	-	-	-	-
<b>risk</b>									
	+0.25%	-	-	-	-	(318)	-	127	-
	-0.25%	-	-	-	-	318	-	(127)	-
	+0.5%	-	-	-	-	-	(770)	-	148
	-0.5%	-	-	-	-	-	770	-	(148)
<b>Price risk</b>									
Units in fixed income trusts	+5%	-	-	-	-	5,013	5,682	-	-
	-5%	-	-	-	-	(5,013)	(5,682)	-	-
Equities and equity related securities*	+10%	43,366	53,564	3,423	2,188	30,727	27,472	-	-
	-10%	(43,366)	(53,564)	(3,423)	(2,188)	(30,727)	(27,472)	-	-

\*\*Equities and equity related securities include listed equities, equity derivatives, units in equity and other trusts

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

## 17 Financial risk management (continued)

### (b) Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts when they fall due. The Schemes (except Wholesale Conservative Growth Fund and Wholesale Diversified Growth Fund) are exposed to counterparty credit risk on derivative financial instruments, cash and cash equivalents, and receivables for securities sold. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

For Wholesale Conservative Growth Fund and Wholesale Diversified Growth Fund, the main concentration of counterparty credit risk, to which the Schemes are exposed to, arises predominantly from the Schemes' investments in debt securities. The Schemes are also exposed to counterparty credit risk on derivative financial instruments, cash and cash equivalents, and receivables for securities sold. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

The Schemes determine credit risk and measures expected credit losses for financial assets measured at amortised cost using probability of default, exposure at default and loss given default. Management considers relevant, historical analysis and forward looking information in determining any expected credit loss. At the reporting date, all receivables and cash and cash equivalents are held with approved counterparties and are either callable on demand or due within 30 days. Management consider the probability of default to be low, as a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Schemes. The expected credit loss remained low during the period of market disruption led by COVID-19.

#### (i) Debt securities

Investment management processes include the consideration of counterparty risk. The asset managers may refer to the credit ratings issued by rating agencies to assess the creditworthiness of counterparties. The asset managers consider (among other things) branding, stability and security marketability of counterparties and consistently monitor exposure through electronic systems.

The Schemes monitor the credit ratings of debt securities on a regular basis.

The tables below set out the analysis of debt securities by credit ratings as issued by Standard & Poor's:

	Wholesale Dynamic Fixed Income Fund									
	30 June 2020					30 June 2019				
	AAA to AA- \$'000	A+ to A- \$'000	BBB+ to BBB- \$'000	NON-RATED \$'000	Total \$'000	AAA to AA- \$'000	A+ to A- \$'000	BBB+ to BBB- \$'000	NON-RATED \$'000	Total \$'000
Debt securities	2,998	-	-	-	2,998	-	-	-	-	-
	<b>2,998</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,998</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

17 Financial risk management (continued)

(b) Credit risk (continued)

<b>Wholesale Diversified Growth Fund</b>										
	30 June 2020					30 June 2019				
	AAA to AA- \$'000	A+ to A- \$'000	BBB+ to BBB- \$'000	NON-RATED \$'000	Total \$'000	AAA to AA- \$'000	A+ to A- \$'000	BBB+ to BBB- \$'000	NON-RATED \$'000	Total \$'000
Debt securities	2,597	-	-	-	2,597	3,927	-	-	-	3,927
	<b>2,597</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,597</b>	<b>3,927</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,927</b>
<b>Wholesale Conservative Growth Fund</b>										
	30 June 2020					30 June 2019				
	AAA to AA- \$'000	A+ to A- \$'000	BBB+ to BBB- \$'000	NON-RATED \$'000	Total \$'000	AAA to AA- \$'000	A+ to A- \$'000	BBB+ to BBB- \$'000	NON-RATED \$'000	Total \$'000
Debt securities	10,142	-	-	-	10,142	13,839	-	-	-	13,839
	<b>10,142</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,142</b>	<b>13,839</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,839</b>
<b>Ethical SRI Credit Fund</b>										
	30 June 2020					30 June 2019				
	AAA to AA- \$'000	A+ to A- \$'000	BBB+ to BBB- \$'000	NON-RATED \$'000	Total \$'000	AAA to AA- \$'000	A+ to A- \$'000	BBB+ to B- \$'000	NON-RATED \$'000	Total \$'000
Debt securities	4,965	5,999	10,132	14,669	35,765	6,289	4,502	3,838	11,301	25,930
	<b>4,965</b>	<b>5,999</b>	<b>10,132</b>	<b>14,669</b>	<b>35,765</b>	<b>6,289</b>	<b>4,502</b>	<b>3,838</b>	<b>11,301</b>	<b>25,930</b>

## **17 Financial risk management (continued)**

### **(b) Credit risk (continued)**

#### *(ii) Derivative financial instruments*

The risk of counterparty default in a derivative transaction is minimised by predominantly using exchange traded derivatives (except for currency hedging, contracts for differences, and occasionally other approved over the counter instruments). The exchange traded derivatives are only executed and cleared through approved members of the exchanges. For over the counter derivatives, minimum credit ratings apply for counterparties at the time of entering into a contract and ISDA agreements are put in place with counterparties.

#### *(iii) Cash and cash equivalents*

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

#### *(iv) Receivables for securities sold*

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered low, as delivery of securities sold is only made once the broker has received payment from the counterparty. Payments on securities acquired are only made after the broker has received the securities. The trade will fail if either party fails to meet its obligations.

All transactions in unlisted unit trusts are settled/unitised when unit prices are issued. The risk of default is considered low except when trading in a suspended unlisted unit trust.

### **(c) Liquidity risk**

Liquidity risk is the risk that the Schemes will not be able to meet their financial obligations as they fall due.

The Schemes are exposed to daily cash redemptions of redeemable units and daily margin calls on derivatives.

The Schemes' investments in equity securities are considered to be readily realisable. The Schemes primarily hold investments in an active market which can be readily disposed. There are no significant equity securities that are not actively traded on stock exchange.

The Schemes' investments in unlisted unit trusts expose them to the risk that the Responsible Entity or the manager of those trusts may be unwilling or unable to fulfil the redemption requests within the timeframe requested by the Schemes. However, these investments are considered readily realisable unless the unlisted unit trusts are declared illiquid or suspended. The Schemes did not hold any units in unlisted unit trusts that have suspended their redemption during the market volatility resulting from COVID-19.

The Schemes may, from time to time, invest in derivative contracts traded over the counter, which are not traded in an organised market and may be illiquid. As a result, the Schemes may not be able to quickly liquidate their investments in these instruments at an amount close to their fair value to meet their liquidity requirements or to respond to specific events. No significant over the counter derivative contracts were held at year end.

In order to manage the Schemes' overall liquidity, asset managers will only purchase securities (including derivatives) which meet the Schemes' investment criteria, including the assessment of saleability in different market conditions. The Schemes' investment strategy generally defines a minimum liquidity level for the Schemes which are monitored regularly.

During the period of market disruption led by COVID-19, management increased its monitoring frequency of the Schemes' liquidity including the large transaction flows requested by the unitholders and the liquidity of the underlying assets.

## 17 Financial risk management (continued)

### (c) Liquidity risk (continued)

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

	30 June 2020			30 June 2019		
	Contractual cash flows			Contractual cash flows		
	Carrying amount \$'000	At call \$'000	less than 6 months \$'000	Carrying amount \$'000	At call \$'000	less than 6 months \$'000
<b>Wholesale Dynamic Fixed Income Fund</b>						
<b>Non-derivative financial liabilities</b>						
Distributions payable to unitholders of the Scheme	159	-	159	353	-	353
Payables	37	-	37	14	-	14
<b>Total</b>	<b>196</b>	<b>-</b>	<b>196</b>	<b>367</b>	<b>-</b>	<b>367</b>

	30 June 2020			30 June 2019		
	Contractual cash flows			Contractual cash flows		
	Carrying amount \$'000	At call \$'000	less than 6 months \$'000	Carrying amount \$'000	At call \$'000	less than 6 months \$'000
<b>Wholesale Income Share Fund</b>						
<b>Non-derivative financial liabilities</b>						
Distributions payable to unitholders of the Scheme	959	-	959	2,303	-	2,303
Payables for securities purchased	-	-	-	3,884	-	3,884
Payables	133	-	133	507	-	507
<b>Total</b>	<b>1,092</b>	<b>-</b>	<b>1,092</b>	<b>6,694</b>	<b>-</b>	<b>6,694</b>

## 17 Financial risk management (continued)

### (c) Liquidity risk (continued)

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

	30 June 2020			30 June 2019		
	Contractual cash flows			Contractual cash flows		
	Carrying amount \$'000	At call \$'000	less than 6 months \$'000	Carrying amount \$'000	At call \$'000	less than 6 months \$'000
<b>Wholesale Australian Share Fund</b>						
<b>Non-derivative financial liabilities</b>						
Distributions payable to unitholders of the Scheme	12,345	-	12,345	39,292	-	39,292
Payables for securities purchased	33	-	33	128	-	128
Payables	396	-	396	778	-	778
<b>Total</b>	<b>12,774</b>	<b>-</b>	<b>12,774</b>	<b>40,198</b>	<b>-</b>	<b>40,198</b>

	30 June 2020			30 June 2019		
	Contractual cash flows			Contractual cash flows		
	Carrying amount \$'000	At call \$'000	less than 6 months \$'000	Carrying amount \$'000	At call \$'000	less than 6 months \$'000
<b>Wholesale Concentrated Equity Fund</b>						
<b>Non-derivative financial liabilities</b>						
Distributions payable to unitholders of the Scheme	10,924	-	10,924	77,749	-	77,749
Payables for securities purchased	-	-	-	4,193	-	4,193
Payables	1,175	-	1,175	1,529	-	1,529
<b>Total</b>	<b>12,099</b>	<b>-</b>	<b>12,099</b>	<b>83,471</b>	<b>-</b>	<b>83,471</b>

## 17 Financial risk management (continued)

### (c) Liquidity risk (continued)

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

	30 June 2020			30 June 2019		
	Contractual cash flows			Contractual cash flows		
	Carrying amount \$'000	At call \$'000	less than 6 months \$'000	Carrying amount \$'000	At call \$'000	less than 6 months \$'000
<b>Wholesale Ethical SRI Fund</b>						
<b>Non-derivative financial liabilities</b>						
Distributions payable to unitholders of the Scheme	13,088	-	13,088	17,964	-	17,964
Payables for securities purchased	1,184	-	1,184	856	-	856
Payables	1,366	-	1,366	2,946	-	2,946
<b>Total</b>	<b>15,638</b>	<b>-</b>	<b>15,638</b>	<b>21,766</b>	<b>-</b>	<b>21,766</b>

	30 June 2020			30 June 2019		
	Contractual cash flows			Contractual cash flows		
	Carrying amount \$'000	At call \$'000	less than 6 months \$'000	Carrying amount \$'000	At call \$'000	less than 6 months \$'000
<b>Wholesale Geared Australian Share Fund</b>						
<b>Non-derivative financial liabilities</b>						
Bank overdraft	272,368	272,368	-	641,462	641,462	-
Distributions payable to unitholders of the Scheme	15,665	-	15,665	54,835	-	54,835
Payables for securities purchased	54,088	-	54,088	34,121	-	34,121
Payables	1,092	-	1,092	2,315	-	2,315
Interest payable	122	122	-	929	929	-
<b>Total</b>	<b>343,335</b>	<b>272,490</b>	<b>70,845</b>	<b>733,662</b>	<b>642,391</b>	<b>91,271</b>
<b>Derivative financial liabilities</b>						
Futures	-	-	-	27	-	27
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>-</b>	<b>27</b>

**17 Financial risk management (continued)**

**(c) Liquidity risk (continued)**

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

	30 June 2020			30 June 2019		
	Contractual cash flows			Contractual cash flows		
	Carrying amount \$'000	At call \$'000	less than 6 months \$'000	Carrying amount \$'000	At call \$'000	less than 6 months \$'000
<b>Wholesale Industrial Share Fund</b>						
<b>Non-derivative financial liabilities</b>						
Distributions payable to unitholders of the Scheme	16,621	-	16,621	40,089	-	40,089
Payables for securities purchased	150	-	150	491	-	491
Payables	2,039	-	2,039	2,516	-	2,516
<b>Total</b>	<b>18,810</b>	<b>-</b>	<b>18,810</b>	<b>43,096</b>	<b>-</b>	<b>43,096</b>

	30 June 2020			30 June 2019		
	Contractual cash flows			Contractual cash flows		
	Carrying amount \$'000	At call \$'000	less than 6 months \$'000	Carrying amount \$'000	At call \$'000	less than 6 months \$'000
<b>Wholesale International Share Fund</b>						
<b>Non-derivative financial liabilities</b>						
Distributions payable to unitholders of the Scheme	743	-	743	2,921	-	2,921
Payables for securities purchased	1	-	1	23	-	23
Payables	232	-	232	197	-	197
<b>Total</b>	<b>976</b>	<b>-</b>	<b>976</b>	<b>3,141</b>	<b>-</b>	<b>3,141</b>

## 17 Financial risk management (continued)

### (c) Liquidity risk (continued)

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

	30 June 2020			30 June 2019		
	Contractual cash flows			Contractual cash flows		
	Carrying amount	At call	less than 6 months	Carrying amount	At call	less than 6 months
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Wholesale SHARE-PLUS Long-Short Fund</b>						
<b>Non-derivative financial liabilities</b>						
Financial liabilities at fair value through profit or loss	171,857	171,857	-	252,733	252,733	-
Distributions payable to unitholders of the Scheme	16,225	-	16,225	33,059	-	33,059
Payables for securities purchased	425	-	425	20,517	-	20,517
Payables	3,037	-	3,037	3,928	-	3,928
<b>Total</b>	<b>191,544</b>	<b>171,857</b>	<b>19,687</b>	<b>310,237</b>	<b>252,733</b>	<b>57,504</b>
<b>Derivative financial liabilities</b>						
Foreign exchange forward contracts	-	-	-	45	-	-
Outflow	-	-	-	-	-	3,222
Inflow	-	-	-	-	-	(3,177)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45</b>	<b>-</b>	<b>45</b>
<b>Wholesale Smaller Companies Fund</b>						
<b>Non-derivative financial liabilities</b>						
Distributions payable to unitholders of the Scheme	20,218	-	20,218	13,292	-	13,292
Payables for securities purchased	2,263	-	2,263	19,524	-	19,524
Payables	1,179	-	1,179	1,894	-	1,894
<b>Total</b>	<b>23,660</b>	<b>-</b>	<b>23,660</b>	<b>34,710</b>	<b>-</b>	<b>34,710</b>

## 17 Financial risk management (continued)

### (c) Liquidity risk (continued)

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

	30 June 2020			30 June 2019		
	Contractual cash flows			Contractual cash flows		
	Carrying amount	At call	less than 6 months	Carrying amount	At call	less than 6 months
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Wholesale Smaller Companies Fund No. 2</b>						
<b>Non-derivative financial liabilities</b>						
Distributions payable to unitholders of the Scheme	974	-	974	883	-	883
Payables for securities purchased	4	-	4	27	-	27
Payables	45	-	45	-	-	-
<b>Total</b>	<b>1,023</b>	<b>-</b>	<b>1,023</b>	<b>910</b>	<b>-</b>	<b>910</b>

	30 June 2020					30 June 2019				
	Contractual cash flows					Contractual cash flows				
	Carrying amount	At call	less than 6 months	6 - 12 months	More than 6 months	Carrying amount	At call	less than 6 months	6 - 12 months	More than 6 months
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Wholesale Conservative Growth Fund</b>										
<b>Non-derivative financial liabilities</b>										
Distributions payable to unitholders of the Scheme	11,061	-	11,061	-	-	11,627	-	11,627	-	-
Payables for securities purchased	273	-	273	-	-	-	-	-	-	-
Payables	277	-	277	-	-	609	-	609	-	-
<b>Total</b>	<b>11,611</b>	<b>-</b>	<b>11,611</b>	<b>-</b>	<b>-</b>	<b>12,236</b>	<b>-</b>	<b>12,236</b>	<b>-</b>	<b>-</b>
<b>Derivative financial liabilities</b>										
Futures	172	-	172	-	-	677	-	677	-	-
Swaps	2,228	-	-	-	-	3,089	-	-	-	-
Outflow	-	-	597	597	120,584	-	-	556	556	113,479
Foreign exchange forward contracts	56	-	-	-	-	78	-	-	-	-
Outflow	-	-	6,475	-	-	-	-	8,890	-	-
Inflow	-	-	(6,420)	-	-	-	-	(8,812)	-	-
<b>Total</b>	<b>2,456</b>	<b>-</b>	<b>824</b>	<b>597</b>	<b>120,584</b>	<b>3,844</b>	<b>-</b>	<b>1,311</b>	<b>556</b>	<b>113,479</b>

## 17 Financial risk management (continued)

### (c) Liquidity risk (continued)

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

	30 June 2020					30 June 2019				
	Carrying amount	At call	less than 6 months	6 - 12 months	More than 6 months	Carrying amount	At call	less than 6 months	6 - 12 months	More than 6 months
Wholesale Diversified Growth Fund	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Non-derivative financial liabilities</b>										
Distributions payable to unitholders of the Scheme	4,016	-	4,016	-	-	5,084	-	5,084	-	-
Payables for securities purchased	108	-	108	-	-	-	-	-	-	-
Payables	92	-	92	-	-	716	-	716	-	-
<b>Total</b>	<b>4,216</b>	<b>-</b>	<b>4,216</b>	<b>-</b>	<b>-</b>	<b>5,800</b>	<b>-</b>	<b>5,800</b>	<b>-</b>	<b>-</b>
<b>Derivative financial liabilities</b>										
Futures	63	-	63	-	-	228	-	228	-	-
Options	32	-	32	-	-	-	-	-	-	-
Swaps	735	-	-	-	-	1,018	-	-	-	-
Outflow	-	-	197	197	39,755	-	-	183	183	37,412
Foreign exchange forward contracts	14	-	-	-	-	38	-	-	-	-
Outflow	-	-	1,681	-	-	-	-	4,155	-	-
Inflow	-	-	(1,668)	-	-	-	-	(4,117)	-	-
<b>Total</b>	<b>844</b>	<b>-</b>	<b>305</b>	<b>197</b>	<b>39,755</b>	<b>1,284</b>	<b>-</b>	<b>449</b>	<b>183</b>	<b>37,412</b>

**17 Financial risk management (continued)**

**(c) Liquidity risk (continued)**

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

	30 June 2020			30 June 2019		
	Contractual cash flows			Contractual cash flows		
	Carrying amount	At call	less than 6 months	Carrying amount	At call	less than 6 months
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Wholesale Balanced Growth Fund</b>						
<b>Non-derivative financial liabilities</b>						
Distributions payable to unitholders of the Scheme	37,532	-	37,532	52,575	-	52,575
Payables for securities purchased	104	-	104	73	-	73
Payables	340	-	340	865	-	865
<b>Total</b>	<b>37,976</b>	<b>-</b>	<b>37,976</b>	<b>53,513</b>	<b>-</b>	<b>53,513</b>
<b>Wholesale Split Growth Fund</b>						
<b>Non-derivative financial liabilities</b>						
Distributions payable to unitholders of the Scheme	1,511	-	1,511	4,199	-	4,199
Payables for securities purchased	18	-	18	16	-	16
Payables	82	-	82	56	-	56
<b>Total</b>	<b>1,611</b>	<b>-</b>	<b>1,611</b>	<b>4,271</b>	<b>-</b>	<b>4,271</b>

## 17 Financial risk management (continued)

### (c) Liquidity risk (continued)

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

	30 June 2020			30 June 2019		
	Contractual cash flows less			Contractual cash flows less		
	Carrying amount	At call	than 6 months	Carrying amount	At call	than 6 months
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Wholesale Global Share Fund</b>						
<b>Non-derivative financial liabilities</b>						
Distributions payable to unitholders of the Scheme	17,439	-	17,439	46,632	-	46,632
Payables for securities purchased	8,457	-	8,457	-	-	-
Payables	642	-	642	1,838	-	1,838
Net assets attributable to unitholders - liability	486,844	486,844	-	568,361	568,361	-
<b>Total</b>	<b>513,382</b>	<b>486,844</b>	<b>26,538</b>	<b>616,831</b>	<b>568,361</b>	<b>48,470</b>
<b>Derivative financial liabilities</b>						
Futures	14	-	14	-	-	-
Foreign exchange forward contracts	561	-	-	284	-	-
Outflow	-	-	76,111	-	-	36,921
Inflow	-	-	(75,550)	-	-	(36,637)
<b>Total</b>	<b>575</b>	<b>-</b>	<b>575</b>	<b>284</b>	<b>-</b>	<b>284</b>
<b>Wholesale Global Share Fund Hedged*</b>						
<b>Non-derivative financial liabilities</b>						
Distributions payable to unitholders of the Scheme	892	-	892	-	-	-
Payables for securities purchased	-	-	-	3	-	3
Payables	31	-	31	18	-	18
Net assets attributable to unitholders - liability	34,494	34,494	-	23,893	23,893	-
<b>Total</b>	<b>35,417</b>	<b>34,494</b>	<b>923</b>	<b>23,914</b>	<b>23,893</b>	<b>21</b>
<b>Derivative financial liabilities</b>						
Foreign exchange forward contracts	317	-	-	21	-	-
Outflow	-	-	30,098	-	-	3,307
Inflow	-	-	(29,781)	-	-	(3,286)
<b>Total</b>	<b>317</b>	<b>-</b>	<b>317</b>	<b>21</b>	<b>-</b>	<b>21</b>

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

## 17 Financial risk management (continued)

### (c) Liquidity risk (continued)

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

	30 June 2020					30 June 2019				
	Carrying amount \$'000	Contractual cash flows				Carrying amount \$'000	Contractual cash flows			
At call \$'000		less than 6 months \$'000	6 - 12 months \$'000	More than 6 months \$'000	At call \$'000		less than 6 months \$'000	6 - 12 months \$'000	More than 6 months \$'000	
<b>Diversified Real Return Fund</b>										
<b>Non-derivative financial liabilities</b>										
Distributions payable to unitholders of the Scheme	24,634	-	24,634	-	-	10,698	-	10,698	-	-
Payables for securities purchased	763	-	763	-	-	-	-	-	-	-
Payables	345	-	345	-	-	496	-	496	-	-
Net assets attributable to unitholders - liability	493,132	493,132	-	-	-	462,718	462,718	-	-	-
<b>Total</b>	<b>518,874</b>	<b>493,132</b>	<b>25,742</b>	<b>-</b>	<b>-</b>	<b>473,912</b>	<b>462,718</b>	<b>11,194</b>	<b>-</b>	<b>-</b>
<b>Derivative financial liabilities</b>										
Futures	2,225	-	2,199	26	-	1,425	-	1,390	22	13
Options	268	-	1	267	-	-	-	-	-	-
Swaps	6,693	-	-	-	-	8,687	-	-	-	-
Outflow	-	-	1,534	1,534	311,108	-	-	1,430	1,430	292,767
Foreign exchange forward contracts	143	-	-	-	-	217	-	-	-	-
Outflow	-	-	31,747	-	-	-	-	20,024	-	-
Inflow	-	-	(31,604)	-	-	-	-	(19,807)	-	-
<b>Total</b>	<b>9,329</b>	<b>-</b>	<b>3,877</b>	<b>1,827</b>	<b>311,108</b>	<b>10,329</b>	<b>-</b>	<b>3,037</b>	<b>1,452</b>	<b>292,780</b>

**17 Financial risk management (continued)**

**(c) Liquidity risk (continued)**

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

Ethical SRI Credit Fund	30 June 2020					30 June 2019				
	Carrying amount \$'000	At call \$'000	Contractual cash flows less than 6 months \$'000	6 - 12 months \$'000	More than 6 months \$'000	Carrying amount \$'000	At call \$'000	Contractual cash flows less than 6 months \$'000	6 - 12 months \$'000	More than 6 months \$'000
<b>Non-derivative financial liabilities</b>										
Distributions payable to unitholders of the Scheme	-	-	-	-	-	219	-	219	-	-
Payables for securities purchased	1,100	-	1,100	-	-	1,004	-	1,004	-	-
Payables	27	-	27	-	-	17	-	17	-	-
Net assets attributable to unitholders - liability	40,883	40,883	-	-	-	29,340	29,340	-	-	-
<b>Total</b>	<b>42,010</b>	<b>40,883</b>	<b>1,127</b>	<b>-</b>	<b>-</b>	<b>30,580</b>	<b>29,340</b>	<b>1,240</b>	<b>-</b>	<b>-</b>
<b>Derivative financial liabilities</b>										
Swaps	1,033	-	-	-	-	635	-	-	-	-
Outflow	-	-	183	200	8,906	-	-	50	85	2,095
Inflow	-	-	(93)	(93)	(8,006)	-	-	(39)	(39)	(1,799)
<b>Total</b>	<b>1,033</b>	<b>-</b>	<b>90</b>	<b>107</b>	<b>900</b>	<b>635</b>	<b>-</b>	<b>11</b>	<b>46</b>	<b>296</b>

## **17 Financial risk management (continued)**

### **(d) Fair value measurement**

The Schemes classify fair value measurement of their financial assets and liabilities using a fair value hierarchy model that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset or liability that are no based on observable market data (that is, unobservable inputs) (level 3).

#### *(i) Fair value in an active market (level 1)*

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

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Listed securities and exchange traded derivatives are valued at the last traded price. For the majority of these financial instruments, information provided by the independent pricing services is relied upon for valuation.

An unlisted unit trust is considered to be quoted in an active market if it publishes daily prices and there is evidence that transactions occur at that unadjusted prices regularly. Investments in such trusts are valued using the redemption value per unit as reported by the investment managers without any adjustment.

#### *(ii) Fair value in an inactive or unquoted market (level 2 and level 3)*

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. These include the use of recent arm's length transactions, reference to current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation techniques that provide a reliable estimate of prices obtained in actual market transactions.

Valuation 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 the assumptions about these factors could affect the reported fair value of financial instruments. 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 held.

Debt securities are generally valued using broker quotes. Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions. Management monitored credit spreads closely and conducted regular review to ensure any estimates and assumptions used in the valuation model remained appropriate. No impairment related to COVID-19 was included in the valuation of the Schemes' assets.

The fair value of derivatives that are not exchange traded is estimated at the amount that would be received or paid to terminate the contract at the end of the reporting period taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties.

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

## 17 Financial risk management (continued)

### (d) Fair value measurement (continued)

#### (ii) Fair value in an inactive or unquoted market (level 2 and level 3) (continued)

The Wholesale Conservative Growth Fund, Wholesale Diversified Growth Fund and Diversified Real Return Fund held investments in unlisted unit trusts that are classified as level 3. The unlisted unit trusts have exposure to direct property which may use significant unobservable inputs in their valuations. The Schemes obtained the fair value prices from the relevant investment managers without significant adjustments and did not calculate any unobservable inputs themselves.

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

No other Schemes held financial instruments with fair value measurements using significant unobservable inputs (level 3) at 30 June 2020 and 30 June 2019.

The following tables present the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy:

<b>Wholesale Dynamic Fixed Income Fund</b>	<b>30 June 2020</b>				<b>30 June 2019</b>			
	<b>Level 1 \$'000</b>	<b>Level 2 \$'000</b>	<b>Level 3 \$'000</b>	<b>Total \$'000</b>	<b>Level 1 \$'000</b>	<b>Level 2 \$'000</b>	<b>Level 3 \$'000</b>	<b>Total \$'000</b>
<b>Financial assets at fair value through profit or loss</b>								
Debt securities	-	2,998	-	2,998	-	-	-	-
Unlisted unit trusts	-	27,007	-	27,007	-	19,029	-	19,029
<b>Total</b>	<b>-</b>	<b>30,005</b>	<b>-</b>	<b>30,005</b>	<b>-</b>	<b>19,029</b>	<b>-</b>	<b>19,029</b>

<b>Wholesale Income Share Fund</b>	<b>30 June 2020</b>				<b>30 June 2019</b>			
	<b>Level 1 \$'000</b>	<b>Level 2 \$'000</b>	<b>Level 3 \$'000</b>	<b>Total \$'000</b>	<b>Level 1 \$'000</b>	<b>Level 2 \$'000</b>	<b>Level 3 \$'000</b>	<b>Total \$'000</b>
<b>Financial assets at fair value through profit or loss</b>								
Equities	134,677	1,582	-	136,259	151,536	1,764	-	153,300
Unlisted unit trusts	-	-	-	-	-	15	-	15
<b>Total</b>	<b>134,677</b>	<b>1,582</b>	<b>-</b>	<b>136,259</b>	<b>151,536</b>	<b>1,779</b>	<b>-</b>	<b>153,315</b>

**17 Financial risk management (continued)**

**(d) Fair value measurement (continued)**

The following tables present the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy:

	30 June 2020				30 June 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Wholesale Australian Share Fund</b>								
<b>Financial assets at fair value through profit or loss</b>								
Unlisted unit trusts	692,706	-	-	692,706	954,791	-	-	954,791
<b>Total</b>	<b>692,706</b>	<b>-</b>	<b>-</b>	<b>692,706</b>	<b>954,791</b>	<b>-</b>	<b>-</b>	<b>954,791</b>
<b>Wholesale Concentrated Equity Fund</b>								
<b>Financial assets at fair value through profit or loss</b>								
Equities	560,741	-	-	560,741	827,263	-	-	827,263
Unlisted unit trusts	31,082	-	-	31,082	35,682	-	-	35,682
<b>Total</b>	<b>591,823</b>	<b>-</b>	<b>-</b>	<b>591,823</b>	<b>862,945</b>	<b>-</b>	<b>-</b>	<b>862,945</b>
<b>Wholesale Ethical SRI Fund</b>								
<b>Financial assets at fair value through profit or loss</b>								
Derivatives								
Futures	-	-	-	-	115	-	-	115
Equities	642,706	30	-	642,736	935,990	-	-	935,990
<b>Total</b>	<b>642,706</b>	<b>30</b>	<b>-</b>	<b>642,736</b>	<b>936,105</b>	<b>-</b>	<b>-</b>	<b>936,105</b>

**17 Financial risk management (continued)**

**(d) Fair value measurement (continued)**

The following tables present the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy:

	30 June 2020				30 June 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Wholesale Geared Australian Share Fund</b>								
<b>Financial assets at fair value through profit or loss</b>								
Equities	630,496	1,682	-	632,178	1,213,977	-	-	1,213,977
<b>Total</b>	<b>630,496</b>	<b>1,682</b>	<b>-</b>	<b>632,178</b>	<b>1,213,977</b>	<b>-</b>	<b>-</b>	<b>1,213,977</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives								
Futures	-	-	-	-	27	-	-	27
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>27</b>
<b>Wholesale Industrial Share Fund</b>								
<b>Financial assets at fair value through profit or loss</b>								
Unlisted unit trusts	1,187,405	-	-	1,187,405	1,626,733	-	-	1,626,733
<b>Total</b>	<b>1,187,405</b>	<b>-</b>	<b>-</b>	<b>1,187,405</b>	<b>1,626,733</b>	<b>-</b>	<b>-</b>	<b>1,626,733</b>
<b>Wholesale International Share Fund</b>								
<b>Financial assets at fair value through profit or loss</b>								
Unlisted unit trusts	93,901	60	-	93,961	112,344	63	-	112,407
<b>Total</b>	<b>93,901</b>	<b>60</b>	<b>-</b>	<b>93,961</b>	<b>112,344</b>	<b>63</b>	<b>-</b>	<b>112,407</b>

## 17 Financial risk management (continued)

### (d) Fair value measurement (continued)

The following tables present the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy:

Wholesale SHARE-PLUS Long-Short Fund	30 June 2020				30 June 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives								
Options	586	-	-	586	256	-	-	256
Foreign exchange forward contracts	-	103	-	103	-	58	-	58
Equities	856,311	40,605	-	896,916	1,282,784	-	-	1,282,784
Unlisted unit trusts	100	-	-	100	100	-	-	100
<b>Total</b>	<b>856,997</b>	<b>40,708</b>	<b>-</b>	<b>897,705</b>	<b>1,283,140</b>	<b>58</b>	<b>-</b>	<b>1,283,198</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives								
Foreign exchange forward contracts	-	-	-	-	-	45	-	45
Equity securities sold short	171,857	-	-	171,857	252,733	-	-	252,733
<b>Total</b>	<b>171,857</b>	<b>-</b>	<b>-</b>	<b>171,857</b>	<b>252,733</b>	<b>45</b>	<b>-</b>	<b>252,778</b>

## 17 Financial risk management (continued)

### (d) Fair value measurement (continued)

The following tables present the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy:

Wholesale Smaller Companies Fund	30 June 2020				30 June 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Equities	529,423	-	-	529,423	648,728	8,279	-	657,007
Unlisted unit trusts	18,010	-	-	18,010	132,579	-	-	132,579
<b>Total</b>	<b>547,433</b>	<b>-</b>	<b>-</b>	<b>547,433</b>	<b>781,307</b>	<b>8,279</b>	<b>-</b>	<b>789,586</b>

Wholesale Smaller Companies Fund No.2	30 June 2020				30 June 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Unlisted unit trusts	66,153	-	-	66,153	80,341	-	-	80,341
<b>Total</b>	<b>66,153</b>	<b>-</b>	<b>-</b>	<b>66,153</b>	<b>80,341</b>	<b>-</b>	<b>-</b>	<b>80,341</b>

## 17 Financial risk management (continued)

### (d) Fair value measurement (continued)

The following tables present the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy:

Wholesale Conservative Growth Fund	30 June 2020				30 June 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives								
Futures	111	-	-	111	300	-	-	300
Options	-	359	-	359	87	348	-	435
Foreign exchange forward contracts	-	1,003	-	1,003	-	228	-	228
Equities	16,956	-	-	16,956	14,205	-	-	14,205
Debt securities	-	10,142	-	10,142	-	13,839	-	13,839
Unlisted unit trusts	86,343	198,513	14,609	299,465	97,059	216,145	13,788	326,992
<b>Total</b>	<b>103,410</b>	<b>210,017</b>	<b>14,609</b>	<b>328,036</b>	<b>111,651</b>	<b>230,560</b>	<b>13,788</b>	<b>355,999</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives								
Futures	172	-	-	172	677	-	-	677
Options	-	-	-	-	-	-	-	-
Swaps	-	2,228	-	2,228	-	3,089	-	3,089
Foreign exchange forward contracts	-	56	-	56	-	78	-	78
<b>Total</b>	<b>172</b>	<b>2,284</b>	<b>-</b>	<b>2,456</b>	<b>677</b>	<b>3,167</b>	<b>-</b>	<b>3,844</b>

## 17 Financial risk management (continued)

### (d) Fair value measurement (continued)

The following tables present the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy:

Wholesale Diversified Growth Fund	30 June 2020				30 June 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives								
Futures	65	-	-	65	105	-	-	105
Options	-	168	-	168	45	146	-	191
Foreign exchange forward contracts	-	520	-	520	-	116	-	116
Equities	6,455	-	-	6,455	5,641	-	-	5,641
Debt securities	-	2,597	-	2,597	-	3,927	-	3,927
Unlisted unit trusts	37,724	44,821	5,016	87,561	44,600	52,484	4,735	101,819
<b>Total</b>	<b>44,244</b>	<b>48,106</b>	<b>5,016</b>	<b>97,366</b>	<b>50,391</b>	<b>56,673</b>	<b>4,735</b>	<b>111,799</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives								
Futures	63	-	-	63	228	-	-	228
Options	-	32	-	32	-	-	-	-
Swaps	-	735	-	735	-	1,018	-	1,018
Foreign exchange forward contracts	-	14	-	14	-	38	-	38
<b>Total</b>	<b>63</b>	<b>781</b>	<b>-</b>	<b>844</b>	<b>228</b>	<b>1,056</b>	<b>-</b>	<b>1,284</b>

## 17 Financial risk management (continued)

### (d) Fair value measurement (continued)

The following tables present the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy:

Wholesale Balanced Growth Fund	30 June 2020				30 June 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Unlisted unit trusts	-	536,578	-	536,578	-	643,282	-	643,282
<b>Total</b>	-	536,578	-	536,578	-	643,282	-	643,282

Wholesale Split Growth Fund	30 June 2020				30 June 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Unlisted unit trusts	37,418	-	-	37,418	44,269	-	-	44,269
<b>Total</b>	37,418	-	-	37,418	44,269	-	-	44,269

## 17 Financial risk management (continued)

### (d) Fair value measurement (continued)

The following tables present the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy:

Wholesale Global Share Fund	30 June 2020				30 June 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives								
Options	-	-	-	-	110	-	-	110
Foreign exchange forward contracts	-	269	-	269	-	320	-	320
Equities	433,663	-	-	433,663	535,527	-	-	535,527
<b>Total</b>	<b>433,663</b>	<b>269</b>	<b>-</b>	<b>433,932</b>	<b>535,637</b>	<b>320</b>	<b>-</b>	<b>535,957</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives								
Futures	14	-	-	14	-	-	-	-
Foreign exchange forward contracts	-	561	-	561	-	284	-	284
<b>Total</b>	<b>14</b>	<b>561</b>	<b>-</b>	<b>575</b>	<b>-</b>	<b>284</b>	<b>-</b>	<b>284</b>

## 17 Financial risk management (continued)

### (d) Fair value measurement (continued)

The following tables present the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy:

Wholesale Global Share Fund Hedged*	30 June 2020				30 June 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives								
Foreign exchange forward contracts	-	61	-	61	-	127	-	127
Unlisted unit trusts	34,226	-	-	34,226	21,880	-	-	21,880
<b>Total</b>	<b>34,226</b>	<b>61</b>	<b>-</b>	<b>34,287</b>	<b>21,880</b>	<b>127</b>	<b>-</b>	<b>22,007</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives								
Foreign exchange forward contracts	-	317	-	317	-	21	-	21
<b>Total</b>	<b>-</b>	<b>317</b>	<b>-</b>	<b>317</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>21</b>

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

**17 Financial risk management (continued)**

**(d) Fair value measurement (continued)**

The following tables present the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy:

	30 June 2020				30 June 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Perpetual Ethical SRI Credit Fund</b>								
<b>Financial assets mandatorily at fair value through profit or loss</b>								
Derivatives								
Swaps	-	91	-	91	-	-	-	-
Debt securities	990	34,775	-	35,765	515	25,415	-	25,930
<b>Total</b>	<b>990</b>	<b>34,866</b>	<b>-</b>	<b>35,856</b>	<b>515</b>	<b>25,415</b>	<b>-</b>	<b>25,930</b>
<b>Financial liabilities mandatorily at fair value through profit or loss</b>								
Derivatives								
Swaps	-	1,033	-	1,033	-	635	-	635
<b>Total</b>	<b>-</b>	<b>1,033</b>	<b>-</b>	<b>1,033</b>	<b>-</b>	<b>635</b>	<b>-</b>	<b>635</b>

## 17 Financial risk management (continued)

### (d) Fair value measurement (continued)

The following tables present the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy:

Diversified Real Return Fund	30 June 2020				30 June 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives								
Futures	142	-	-	142	904	-	-	904
Options	-	1,222	-	1,222	266	895	-	1,161
Foreign exchange forward contracts	-	1,285	-	1,285	-	1,193	-	1,193
Equities	135,425	-	-	135,425	59,474	-	-	59,474
Unlisted unit trusts	207,649	100,259	25,184	333,092	238,712	128,916	23,393	391,021
<b>Total</b>	<b>343,216</b>	<b>102,766</b>	<b>25,184</b>	<b>471,166</b>	<b>299,356</b>	<b>131,004</b>	<b>23,393</b>	<b>453,753</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives								
Futures	2,225	-	-	2,225	1,425	-	-	1,425
Options	-	268	-	268	-	-	-	-
Swaps	-	6,693	-	6,693	-	8,687	-	8,687
Foreign exchange forward contracts	-	143	-	143	-	217	-	217
<b>Total</b>	<b>2,225</b>	<b>7,104</b>	<b>-</b>	<b>9,329</b>	<b>1,425</b>	<b>8,904</b>	<b>-</b>	<b>10,329</b>

## 17 Financial risk management (continued)

### (d) Fair value measurement (continued)

The following tables present the Schemes' financial assets and financial liabilities (by class) measured at fair value according to the fair value hierarchy:

Ethical SRI Credit Fund	30 June 2020				30 June 2019			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>								
Derivatives								
Swaps	-	91	-	91	-	-	-	-
Debt securities	990	34,775	-	35,765	515	25,415	-	25,930
<b>Total</b>	<b>990</b>	<b>34,866</b>	<b>-</b>	<b>35,765</b>	<b>515</b>	<b>25,415</b>	<b>-</b>	<b>25,930</b>
<b>Financial liabilities at fair value through profit or loss</b>								
Derivatives								
Swaps	-	1,033	-	1,033	-	635	-	635
<b>Total</b>	<b>-</b>	<b>1,033</b>	<b>-</b>	<b>1,033</b>	<b>-</b>	<b>635</b>	<b>-</b>	<b>635</b>

## 17 Financial risk management (continued)

### (d) Fair value measurement (continued)

#### Transfers between levels

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

There were no transfers between levels for the year ended 30 June 2020.

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

The following tables present the movement in level 3 instruments, by class of financial instruments, for the years ended 30 June 2020 and 30 June 2019:

	30 June 2020		30 June 2019	
	Unlisted unit trusts \$'000	Total \$'000	Unlisted unit trusts \$'000	Total \$'000
<b>Wholesale Conservative Growth Fund</b>				
Opening balance	13,788	13,788	13,156	13,156
Gains/(losses) recognised in profit or loss	821	821	632	632
<b>Closing balance</b>	<b>14,609</b>	<b>14,609</b>	13,788	13,788
Total unrealised gains/(losses) for the year included in the statement of comprehensive income for financial assets and liabilities held at the end of the year	821	821	632	632
	30 June 2020		30 June 2019	
	Unlisted unit trusts \$'000	Total \$'000	Unlisted unit trusts \$'000	Total \$'000
<b>Wholesale Diversified Growth Fund</b>				
Opening balance	4,735	4,735	3,925	3,925
Purchases	-	-	600	600
Gains/(losses) recognised in profit or loss	281	281	210	210
<b>Closing balance</b>	<b>5,016</b>	<b>5,016</b>	4,735	4,735
Total unrealised gains/(losses) for the year included in the statement of comprehensive income for financial assets and liabilities held at the end of the year	281	281	210	210

**17 Financial risk management (continued)**

**(d) Fair value measurement (continued)**

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

The following tables present the movement in level 3 instruments, by class of financial instruments, for the years ended 30 June 2020 and 30 June 2019:

	30 June 2020		30 June 2019	
	Unlisted unit trusts \$'000	Total \$'000	Unlisted unit trusts \$'000	Total \$'000
<b>Diversified Real Return Fund</b>				
Opening balance	23,393	23,393	10,803	10,803
Purchase		-	10,500	10,500
Gains/(losses) recognised in profit or loss	1,791	1,791	2,090	2,090
<b>Closing balance</b>	<b>25,184</b>	<b>25,184</b>	<b>23,393</b>	<b>23,393</b>
Total unrealised gains/(losses) for the year included in the statement of comprehensive income for financial assets and liabilities held at the end of the year	<b>1,791</b>	<b>1,791</b>	2,090	2,090

### 18 Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the balance sheets when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The gross and net positions of financial assets and liabilities that have been offset in the balance sheets are disclosed in the first three columns of the tables below.

Apart from the Schemes mentioned in this note, no other Schemes held any financial assets or liabilities subject to offsetting arrangements as at 30 June 2020 and 30 June 2019.

	30 June 2020					30 June 2019				
	Effects of offsetting on the balance sheet			Related amounts not offset		Effects of offsetting on the balance sheet			Related amounts not offset	
	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Net amounts		Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Net amounts	
	\$'000	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000	\$'000	
<b>Wholesale Geared Australian Share Fund</b>										
<b>Financial assets</b>										
Margin accounts	-	-	-	-	-	127	-	127	-	127
<b>Total</b>	-	-	-	-	-	127	-	127	-	127
<b>Financial liabilities</b>										
Derivative financial instruments	-	-	-	-	-	27	-	27	-	27
<b>Total</b>	-	-	-	-	-	27	-	27	-	27

18 Offsetting financial assets and financial liabilities (continued)

	30 June 2020					30 June 2019				
	Effects of offsetting on the balance sheet			Related amounts not offset		Effects of offsetting on the balance sheet			Related amounts not offset	
	Gross amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Net amounts	Gross amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Net amounts
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Wholesale Conservative Growth Fund</b>										
<b>Financial assets</b>										
Margin accounts	2,964	-	2,964	(1,710)	1,254	4,178	-	4,178	(2,680)	1,498
Derivative financial instruments	1,473	-	1,473	(56)	1,417	963	-	963	(78)	885
<b>Total</b>	<b>4,437</b>	<b>-</b>	<b>4,437</b>	<b>(1,766)</b>	<b>2,671</b>	<b>5,141</b>	<b>-</b>	<b>5,141</b>	<b>(2,758)</b>	<b>2,383</b>
<b>Financial liabilities</b>										
Derivative financial instruments	(2,456)	-	(2,456)	1,766	(690)	(3,844)	-	(3,844)	2,758	(1,086)
<b>Total</b>	<b>(2,456)</b>	<b>-</b>	<b>(2,456)</b>	<b>1,766</b>	<b>(690)</b>	<b>(3,844)</b>	<b>-</b>	<b>(3,844)</b>	<b>2,758</b>	<b>(1,086)</b>
	30 June 2020					30 June 2019				
	Effects of offsetting on the balance sheet			Related amounts not offset		Effects of offsetting on the balance sheet			Related amounts not offset	
	Gross amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Net amounts	Gross amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Net amounts
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Wholesale Diversified Growth Fund</b>										
<b>Financial assets</b>										
Margin accounts	1,394	-	1,394	(735)	659	1,548	-	1,548	(1,018)	530
Derivative financial instruments	753	-	753	(46)	707	412	-	412	(38)	374
<b>Total</b>	<b>2,147</b>	<b>-</b>	<b>2,147</b>	<b>(781)</b>	<b>1,366</b>	<b>1,960</b>	<b>-</b>	<b>1,960</b>	<b>(1,056)</b>	<b>904</b>
<b>Financial liabilities</b>										
Derivative financial instruments	(844)	-	(844)	781	(63)	(1,284)	-	(1,284)	1,056	(228)
<b>Total</b>	<b>(844)</b>	<b>-</b>	<b>(844)</b>	<b>781</b>	<b>(63)</b>	<b>(1,284)</b>	<b>-</b>	<b>(1,284)</b>	<b>1,056</b>	<b>(228)</b>



18 Offsetting financial assets and financial liabilities (continued)

	30 June 2020					30 June 2019				
	Effects of offsetting on the balance sheet			Related amounts not offset		Effects of offsetting on the balance sheet			Related amounts not offset	
	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Net amounts		Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Net amounts	
\$'000	\$'000	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Diversified Real Return Fund</b>										
<b>Financial assets</b>										
Margin accounts	16,262	-	16,262	(5,200)	11,062	12,677	-	12,677	(5,426)	7,251
Derivative financial instruments	2,649	-	2,649	(834)	1,815	3,258	-	3,258	(414)	2,844
<b>Total</b>	<b>18,911</b>	<b>-</b>	<b>18,911</b>	<b>(6,034)</b>	<b>12,877</b>	<b>15,935</b>	<b>-</b>	<b>15,935</b>	<b>(5,840)</b>	<b>10,095</b>
<b>Financial liabilities</b>										
Derivative financial instruments	(9,329)	-	(9,329)	6,034	(3,295)	10,329	-	10,329	(5,839)	4,490
<b>Total</b>	<b>(9,329)</b>	<b>-</b>	<b>(9,329)</b>	<b>6,034</b>	<b>(3,295)</b>	<b>10,329</b>	<b>-</b>	<b>10,329</b>	<b>(5,839)</b>	<b>4,490</b>

18 Offsetting financial assets and financial liabilities (continued)

	30 June 2020					30 June 2019				
	Effects of offsetting on the balance sheet		Related amounts not offset			Effects of offsetting on the balance sheet		Related amounts not offset		
	Gross amounts	Net amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Net amounts	Gross amounts	Net amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Net amounts
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Ethical SRI Credit Fund</b>										
<b>Financial assets</b>										
Margin accounts	290	-	290	(290)	-	300	-	300	(273)	27
Derivative financial instruments	91	-	91	(91)	-					
<b>Total</b>	<b>381</b>	<b>-</b>	<b>381</b>	<b>(381)</b>	<b>-</b>	<b>300</b>	<b>-</b>	<b>300</b>	<b>(273)</b>	<b>27</b>
<b>Financial liabilities</b>										
Derivative Financial	(1,033)	-	(1,033)	381	(652)	(635)	-	(635)	273	(362)
<b>Total</b>	<b>(1,033)</b>	<b>-</b>	<b>(1,033)</b>	<b>381</b>	<b>(652)</b>	<b>(635)</b>	<b>-</b>	<b>(635)</b>	<b>273</b>	<b>(362)</b>

Apart from the Schemes mentioned in this note, no other Schemes held financial assets or liabilities subject to offsetting arrangements at the reporting date.

*Master netting arrangements - not currently enforceable*

Agreements with derivative counterparties are based on the ISDA Master Agreements. Under the terms of these arrangements, only where certain events occur (such as default), the net position owing/receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements terminated. As the Schemes do not presently have a legally enforceable right of set-off, these amounts have not been offset in the balance sheets, but have been presented separately in this note.

## **19 Derivative financial instruments**

A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign currency exchange rates, index of prices or rates, credit rating or credit index or other variables.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

Derivative transactions include many different instruments such as foreign exchange forward contracts, futures and options. Derivatives are considered to be part of the investment process and the use of derivatives is an essential part of the Schemes' portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of the Schemes against a fluctuation in market values or to reduce volatility;
- a substitution for trading of physical securities; and
- adjusting asset exposures within the parameters set in the investment strategy, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

While derivatives are used for trading purposes, they are not used to gear (leverage) a portfolio. Gearing a portfolio would occur if the level of exposure to the markets exceeds the underlying value of the Schemes.

The Schemes held the following derivative financial instruments during the year:

### **(a) Futures**

Futures are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities. Changes in futures contracts' values are usually settled net daily with the exchange.

### **(b) Options**

An option is a contractual arrangement under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of securities or a financial instrument at a predetermined price. The seller receives a premium from the purchaser in consideration for the assumption of future securities price risk. Options held by the Schemes are exchange traded. The Schemes are exposed to credit risks on purchased options to the extent of their carrying amounts which is their fair value. Options are settled on a gross basis.

### **(c) Foreign exchange forward contracts**

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

## **19 Derivative financial instruments (continued)**

### **(d) Swaps**

Swaps are derivative instruments in which two counterparties agree to exchange one stream of cash flow against another stream.

Interest rate swaps are valued based on the estimated amount that the entity would receive or pay to terminate the swap at the balance sheet date, taking into account current interest rates and the current creditworthiness of the swap counterparties.

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

### **Risk exposures and fair value measurements**

Information about the Schemes' exposure to financial risks and the methods and assumptions used in determining fair values is provided in note 17. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of the derivative financial instruments.

## **20 Events occurring after the reporting period**

On 26 July 2020 the Responsible Entity resolved and approved that winding up of the Perpetual Wholesale Global Share Fund Hedged\* was in the best interests of its unitholders as the Perpetual Wholesale Global Share Fund Hedged had not attained the scale required for it to remain viable, particularly in terms of investment and operating cost efficiencies. The Responsible Entity have paid the final return of capital to unitholders on 7 September 2020. The Perpetual Wholesale Global Share Fund Hedged's wind-up commenced on 27 July 2020 and was formally wound up on 4 September 2020.

As explained in notes 9 and 12, the Wholesale Geared Australian Share Fund and the Wholesale SHARE-PLUS Long Short Fund breached their debt covenants associated with their bank overdraft and lending of securities facilities respectively. The Responsible Entity obtained a waiver letter from the bank for the breach of these covenants for the period of 1 March 2020 to 22 September 2020. Following the signing of these financial statements the covenant tests are reset and therefore the Schemes will be in compliance with their debt covenants.

The uncertainty around COVID-19 is expected to continue to present social and economic challenges in the next financial year and the resulting impact on the capital markets remains uncertain. Since the reporting date, there have been no significant changes in the valuation of the Schemes' investment portfolios arising from the changes in the estimates and assumptions in relation to COVID-19. The Responsible Entity is closely monitoring the liquidity of the Schemes and any impact on the valuation of the Schemes' investment portfolios.

The Responsible Entity appointed specialist investment manager Barrow, Hanley, Mewhinney & Strauss, LLC (Barrow Hanley) to manage both the Wholesale International Share Fund and Wholesale Global Share Fund in accordance with the terms of the executed Investment Management Agreement dated 31 August 2020.

No other significant events have occurred since the reporting date which would have impact on the financial position of the Schemes disclosed in the balance sheets as at 30 June 2020 or on the results and cash flows of the Schemes for the year ended on that date.

## **21 Contingent assets, liabilities and commitments**

There were no outstanding contingent assets, liabilities or commitments as at 30 June 2020 and 30 June 2019.

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.

**Directors' declaration**

Perpetual Investment Management Limited presents the Directors' declaration in respect of the following Schemes:

Perpetual Dynamic Fixed Income Fund	Perpetual Smaller Companies Fund
Perpetual Income Share Fund	Perpetual Wholesale Smaller Companies Fund No. 2
Perpetual Australian Share Fund	Perpetual Conservative Growth Fund
Perpetual Concentrated Equity Fund	Perpetual Diversified Growth Fund
Perpetual Ethical SRI Fund	Perpetual Balanced Growth Fund
Perpetual Geared Australian Fund	Perpetual Split Growth Fund
Perpetual Wholesale Industrial Fund	Perpetual Global Share Fund
Perpetual Wholesale International Share Fund	Perpetual Global Share Fund Hedged*
Perpetual SHARE-PLUS Long-Short Fund	Perpetual Diversified Real Return Fund
Perpetual Ethical SRI Credit Fund	

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

(a) the annual financial statements and notes, set out on pages 10 to 128, are in accordance with the *Corporations Act 2001*, including:

- (i) complying with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Regulations 2001*; and
- (ii) giving a true and fair view of the Schemes' financial positions as at 30 June 2020 and of their performances for the financial year ended on that date;

(b) there are reasonable grounds to believe that the Schemes will be able to pay their debts as and when they become due and payable, with the exception of the Perpetual Global Share Fund Hedged\* which was wound up on 4 September 2020; and

(c) note 2(a) confirms that the financial statements comply with International Financial Reporting Standards and Interpretations issued by the International Accounting Standards Board.

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



Director

Sydney  
23 September 2020

\* Scheme prepared on a basis other than going concern. Refer to Note 2(a) of the Financial Statements.



# Independent Auditor's Report

To the respective unitholders of the following Schemes:

Perpetual Dynamic Fixed Income Fund;

Perpetual Income Share Fund;

Perpetual Australian Share Fund;

Perpetual Concentrated Equity Fund;

Perpetual Ethical SRI Fund;

Perpetual Geared Australian Share Fund;

Perpetual Wholesale Industrial Fund;

Perpetual Wholesale International Share Fund;

Perpetual SHARE-PLUS Long-Short Fund;

Perpetual Wholesale Smaller Companies Fund No.2;

Perpetual Conservative Growth Fund;

Perpetual Diversified Growth Fund;

Perpetual Balanced Growth Fund;

Perpetual Split Growth Fund;

Perpetual Global Share Fund;

Perpetual Diversified Real Return Fund;

Perpetual Ethical SRI Credit Fund; and

Perpetual Smaller Companies Fund.

For the purpose of this report, the term Scheme and Schemes denote the individual and distinct entity for which the financial information is prepared and upon which our audit is performed. Each is to be read as a singular subject matter.

## Opinions

We have audited the **Financial Reports** of the Schemes.

In our opinion, the accompanying **Financial Report** of each 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 2020 and of its financial performance and cash flows for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The respective **Financial Reports** of the individual Schemes comprise of:

- Balance sheets as at 30 June 2020
- Statements of comprehensive income for the year then ended
- Statements of changes in equity, and Cash flow statements for the year then ended
- Notes to the financial statements including a summary of significant accounting policies
- Directors' Declarations.

## Basis for opinions

We conducted our audits in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

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 Schemes in accordance with the *Corporations Act 2001* and the relevant ethical requirements of *the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code). We have fulfilled our other ethical responsibilities in accordance with the Code.

## Other Information

Other Information is financial and non-financial information in the issuer of the respective Scheme's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. This includes the Directors' report. The Directors of Perpetual Investment Management Limited (the Responsible Entity) are responsible for the Other Information.

Our opinions on the Financial Reports do not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audits of the Financial Reports, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Reports or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

## Responsibilities of the Directors for the Financial Reports

The Directors of Perpetual Investment Management Limited (the Responsible Entity) are responsible for:

- preparing the Financial Reports that give a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*;
- implementing necessary internal control to enable the preparation of the Financial Reports that give a true and fair view and are free from material misstatement, whether due to fraud or error; and
- assessing the Schemes' ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Schemes or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audits of the Financial Reports

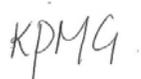
Our objective is:

- to obtain reasonable assurance about whether the Financial Reports as a whole are free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinions.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 these Financial Reports.

A further description of our responsibilities for the audits of the Financial Reports is located at the *Auditing and Assurance Standards Board* website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our Auditor's Report.



KPMG



Jessica Davis

*Partner*

Sydney

23 September 2020



# Independent Auditor's Report

To the unitholders of Perpetual Global Share Fund Hedged

## Opinion

We have audited the **Financial Report** of the Perpetual WealthFocus Investment Advantage Fund (the Scheme).

In our opinion, the accompanying **Financial Report** of the Perpetual WealthFocus Investment Advantage Fund 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 2020 and of its financial performance and cash flows for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises of the:

- Balance sheets as at 30 June 2020
- Statements of comprehensive income for the year then ended
- Statements of changes in equity, and Cash flow statements for the year then ended
- Notes to the financial statements including a summary of significant accounting policies
- Directors' Declarations.

## Basis for opinion

We conducted our audits in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Schemes in accordance with the *Corporations Act 2001* and the relevant ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code). We have fulfilled our other ethical responsibilities in accordance with the Code.

### Emphasis of matter – Basis of preparation

We draw attention to Note 2(a) in the Financial Report under heading 'Basis of preparation other than going concern – Perpetual Global Share Fund Hedged', which describes the basis of preparation of the Financial Report of the Scheme. The Financial Report has not been prepared on a going concern basis following the decision by the Responsible Entity to wind-up the Scheme on 4 September 2020. Perpetual Global Share Fund Hedged is no longer considered going concern.

Our opinion is not modified in respect of this matter.

### Other Information

Other Information is financial and non-financial information in the Perpetual Global Share Fund Hedged's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors of Perpetual Investment Management Limited (the Responsible Entity) are responsible for the Other Information.

Our opinion on the Financial Report do not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audits of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

### Responsibilities of the Directors for the Financial Report

The Directors of Perpetual Investment Management Limited (the Responsible Entity) are responsible for:

- preparing the Financial Report that give a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*;
- implementing necessary internal control to enable the preparation of the Financial Report that give a true and fair view and are free from material misstatement, whether due to fraud or error; and
- assessing the Schemes' ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audits of the Financial Report

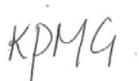
Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole are 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 Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 these Financial Report.

A further description of our responsibilities for the audits of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our Auditor's Report.



KPMG



Jessica Davis

*Partner*

Sydney

23 September 2020



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