

# **Pinnacle aShares Cash Fund (Managed Fund)**

ARSN 632 118 720

## **Annual report**

**For the period from 15 July 2019 to 30 June 2020**

# Pinnacle aShares Cash Fund (Managed Fund)

ARSN 632 118 720

## Annual report

For the period from 15 July 2019 to 30 June 2020

### Contents

	<b>Page</b>
Directors' report	2
Auditor's independence declaration	5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10
Directors' declaration	20
Independent audit report to the unitholders of Pinnacle aShares Cash Fund (Managed Fund)	21

These financial statements cover the Pinnacle aShares Cash Fund (Managed Fund) as an individual entity.

The Responsible Entity of the Pinnacle aShares Cash Fund (Managed Fund) is Pinnacle Fund Services Limited (ABN 29 082 494 362). The Responsible Entity's registered office is Level 19, 307 Queen Street, Brisbane, QLD 4000.

## Directors' report

The directors of Pinnacle Fund Services Limited (ABN 29 082 494 362 AFSL No. 238371), the Responsible Entity of Pinnacle aShares Cash Fund (Managed Fund) (the "Fund"), present their report together with the financial statements of the Fund, for the period from 15 July 2019 to 30 June 2020.

### Principal activities

The Fund's objective was to provide regular monthly income and enhanced returns in excess of the RBA Cash Rate, while seeking to limit capital loss and maintain low volatility.

Until its termination, the Fund invested primarily in short term money market securities denominated in Australian dollars. These short term money market securities include but are not limited to floating rate notes, negotiable certificates of deposit, corporate paper and short dated discount securities. The Fund may also invest in cash, cash equivalents and exchange traded derivatives including futures contracts. The short term money market securities which the Fund will invest in will have an investment grade rating provided by a major credit rating agency, and have a maturity of less than one year.

The Fund utilised exchange traded derivatives for cash flow management purposes only and has not utilised over-the-counter derivatives.

The Responsible Entity resolved and approved to wind up the Fund on 27 May 2020. It determined, in accordance with the Fund's constitution, that it was in the best interests of unitholders to wind up the Fund effective 25 June 2020.

These financial statements for the period ended 30 June 2020 are prepared on a liquidation basis. The directors considered the Fund to not be a going concern and they resolved on the termination date above to wind up the Fund.

Omega Global Investors Pty Ltd is the Investment Manager of the Fund.

The Fund did not have any employees during the period.

### Directors

The following persons held office as directors of Pinnacle Fund Services Limited during the period or since the end of the period and up to the date of this report:

Mr I Macoun

Mr A Ihlenfeldt

Mr C Kwok

Mr A Whittingham (appointed 5 August 2019)

Mr T O'Callaghan (resigned 5 August 2019)

The Responsible Entity also has a Compliance Committee consisting of one non-independent person and two independent persons. The committee's role is to oversee the compliance requirements of the Fund operated by the Responsible Entity. The committee met four times during the financial period under review.

### Review and results of operations

These are the final financial statements for the Fund, which wound up on 25 June 2020. During the period prior to its termination, the Fund continued to invest in accordance with its investment objective and investment strategy as set out in the offer documents of the Fund and in accordance with the provisions of the Fund's Constitution.

## Directors' report (continued)

### Review and results of operations (continued)

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

	Period from 15 July 2019 to 30 June 2020
Profit for the period (\$)	31,510
<i>Distributions</i>	
Total distributions for the period (\$)	31,510
Total distributions (Cents per unit)	31.61

### Significant changes in state of affairs

These financial statements for the period ended 30 June 2020 are prepared on a liquidation basis. The directors considered the Fund to not be a going concern and they resolved on the termination date above to wind up the Fund.

The Responsible Entity resolved and approved to wind up the Fund on 27 May 2020. It determined, in accordance with the Fund's constitution, that it was in the best interests of unitholders to wind up the Fund effective 25 June 2020.

The outbreak of COVID-19 worldwide has led to extreme volatility in equities markets, which impacted the value of the Fund's assets. Governments have introduced significant fiscal stimulus, but it is still too soon to predict the longer-term economic impacts. The Directors of the Responsible Entity are monitoring the evolution of the situation closely. The Fund has procedures in place to actively monitor its service providers to ensure its continued operational effectiveness. In addition, the Fund is closely monitoring its investment policies, strategies, investment flows, performance and liquidity during this period. As at the date of this report, the fund has not experienced liquidity issues and has been able to facilitate all redemptions when due.

### Indemnity and insurance of officers and auditors

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

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

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

No fees were paid out of Fund property to the directors of the Responsible Entity during the period. "Refer to page 9 for fees payable to the Responsible Entity and its associates out of Fund property."

The number of interests in the Fund held by the Responsible Entity or its associates as at the end of the financial period are disclosed in note 9 of the financial statements.

### Interests in the Fund

The movement in units on issue in the Fund during the period is disclosed in note 4 of the financial statements.

## Directors' report (continued)

### Interests in the Fund (continued)

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

### Environmental regulation

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

### Rounding of amounts to the nearest dollar

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

### Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5.

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



Director

Mr A Ihlenfeldt

Brisbane  
22 September 2020



## *Auditor's Independence Declaration*

As lead auditor for the audit of Pinnacle aShares Cash Fund for the period ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Ben Woodbridge', written in a cursive style.

Ben Woodbridge  
Partner  
PricewaterhouseCoopers

Brisbane  
22 September 2020

## Statement of comprehensive income

	Notes	Period from 15 July 2019 to 30 June 2020 \$
<b>Investment income</b>		
Interest income from financial assets at fair value through profit or loss		37,495
Net gains on financial instruments at fair value through profit or loss	3	<u>54</u>
<b>Total net investment income</b>		<u>37,549</u>
<b>Expenses</b>		
Recoverable management fees		<u>6,039</u>
<b>Total operating expenses</b>		<u>6,039</u>
<b>Profit for the period</b>		<u>31,510</u>
Other comprehensive income		<u>-</u>
<b>Total comprehensive income for the period</b>		<u>31,510</u>

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

## Statement of financial position

	Notes	As at 30 June 2020 \$
<b>Assets</b>		
Cash and cash equivalents	5	<u>4,008,001</u>
<b>Total Assets</b>		<u>4,008,001</u>
<b>Liabilities</b>		
Payables	8	4,006,810
Distributions payable		<u>1,191</u>
<b>Total Liabilities</b>		<u>4,008,001</u>
<b>Net assets attributable to unitholders - equity</b>	4	<u>-</u>

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



## Statement of changes in equity

	Notes	Period from 15 July 2019 to 30 June 2020 \$
<b>Total equity at the beginning of the period</b>		-
<b>Comprehensive income for the period</b>		
Profit for the period		<u>31,510</u>
<b>Total comprehensive income for the period</b>		<u>31,510</u>
<b>Transactions with unitholders</b>		
Applications	4	5,000,000
Redemptions	4	(5,000,000)
Distributions paid and payable		<u>(31,510)</u>
<b>Total transactions with unitholders</b>		<u>(31,510)</u>
<b>Total equity at the end of the period</b>		<u>-</u>

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

## Statement of cash flows

	Notes	Period from 15 July 2019 to 30 June 2020 \$
<b>Cash flows from operating activities</b>		
Proceeds from sale of financial instruments at fair value through profit or loss		25,911,934
Payments for purchase of financial instruments at fair value through profit or loss		(25,911,880)
Interest received		37,495
Other income received		1,034
<b>Net cash inflow from operating activities</b>	6(a)	<u>38,583</u>
<b>Cash flows from financing activities</b>		
Proceeds from applications by unitholders		5,000,000
Payments for redemptions by unitholders		(1,000,263)
Distributions paid		<u>(30,319)</u>
<b>Net cash inflow from financing activities</b>		<u>3,969,418</u>
<b>Net increase in cash and cash equivalents</b>		4,008,001
Cash and cash equivalents at the beginning of the period		<u>-</u>
<b>Cash and cash equivalents at the end of the period</b>	5	<u>4,008,001</u>

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

## Contents of the notes to the financial statements

	Page	
1	General information	11
2	Summary of significant accounting policies	11
3	Net gains/(losses) on financial instruments at fair value through profit or loss	15
4	Net assets attributable to unitholders	15
5	Cash and cash equivalents	16
6	Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities	16
7	Auditor's remuneration	17
8	Payables	17
9	Related party transactions	17
10	Events occurring after the reporting period	19
11	Contingent assets and liabilities and commitments	19

## 1 General information

These financial statements cover Pinnacle aShares Cash Fund (Managed Fund) (the "Fund") as an individual entity. The Fund was constituted on 20 March 2019, registered by the Australian Securities and Investments Commission (ASIC) as a managed Investment Scheme on 20 March 2019 and commenced operations on 15 July 2019. The Responsible Entity resolved and approved to wind up the Fund on 27 May 2020. It determined, in accordance with the Fund's constitution, that it was in the best interests of unitholders to wind up the Fund effective 25 June 2020.

These financial statements for the period ended 30 June 2020 are prepared on a liquidation basis. The directors considered the Fund to not be a going concern and they resolved on the termination date above to wind up the Fund.

The Responsible Entity of the Fund is Pinnacle Fund Services Limited (the "Responsible Entity"). The Responsible Entity's registered office is Level 19, 307 Queen Street, Brisbane, QLD 4000. The financial statements are presented in the Australian currency.

State Street Bank and Trust Company is the custodian of the Fund.

The financial statements were authorised for issue by the directors of the Responsible Entity on 2322 September 2020. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

## 2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

### (a) Basis of preparation

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

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

The Statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within twelve months.

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

The financial statements of the Fund also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

### (b) Financial instruments

#### (i) Classification

The Fund classifies its financial instruments based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Fund's portfolio of financial assets is managed and performance is evaluated on a fair value basis in accordance with the Fund's documented investment strategy. The Fund's policy is for the Investment Manager to evaluate the information about these financial assets on a fair value basis together with other related financial information.

For 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 both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, the debt securities are measured at fair value through profit or loss.

## 2 Summary of significant accounting policies (continued)

### (b) Financial instruments (continued)

#### (ii) Measurement

At initial recognition, the Fund measures financial assets and financial liabilities at fair value. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in the Statement of comprehensive income. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss category are presented in the Statement of comprehensive income within 'net gains/(losses) on financial instruments at fair value through profit or loss' in the period in which they arise. For further details on how the fair values of financial instruments are determined please see note 4 to the financial statements.

### (c) Net assets attributable to unitholders

Units are redeemable at the 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 Fund at any time for cash based on the redemption price, which is equal to a proportionate share of the Fund's net asset value attributable to the unitholders.

The units are carried at the redemption amount that is payable at balance sheet date if the holder exercises the right to put the unit back to the Fund. This amount represents the expected cash flows on redemption of these units.

Units are classified as equity when they satisfy the following criteria under AASB 132 *Financial instruments: Presentation*:

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

The Fund's units have been classified as equity having satisfied all the above criteria.

### (d) Cash and cash equivalents

For the purpose of presentation in the Statement of cash flows, cash and cash equivalents includes cash held at call with financial institutions.

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

### (e) Investment income

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.

### (f) Expenses

All expenses, including Responsible Entity's and recoverable expenses fee, are recognised in the Statement of comprehensive income on an accruals basis.

## 2 Summary of significant accounting policies (continued)

### (g) Income tax

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

The benefit of imputation credits and foreign tax paid are passed on to unitholders.

### (h) Distribution to unitholders

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

Realised capital losses are not distributed to unitholders but are retained in the Fund to be offset against any realised capital gains. Unrealised gains and losses on financial assets and liabilities at fair value through profit or loss that recognised as income are transferred to net assets attributable to unitholders and are not assessable and distributable unit realised.

### (i) Increase/(decrease) in net assets attributable to unitholders

The Fund's distributions are classified as distributions paid/payable in the Statement of changes in equity. Income not distributed is included in net assets attributable to unitholders.

### (j) Foreign currency translation

#### (i) Functional and presentation currency

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

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income in other operating income.

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

The Fund does not isolate that portion of gains or losses on securities and derivative financial instruments that are measured at fair value through profit or loss and which are due to changes in foreign exchange rates from those that are due to changes in the market price of securities. Such fluctuations are included with the net gains or losses on financial instruments at fair value through profit or loss.

### (k) Receivables

Receivables may include amounts for interest, which is accrued at the end of each reporting period from the time of last payment in accordance with the policy set out in note 2(f) above. Amounts are generally received within 30 days of being recorded as receivables.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund 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 Fund 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

## 2 Summary of significant accounting policies (continued)

### (k) Receivables (continued)

financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

The amount of the impairment loss is recognised in the Statement of comprehensive income within other 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 expenses in the Statement of comprehensive income.

### (l) Payables

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

The distribution amount payable to unitholders as at the end of each reporting period is recognised separately in the Statement of financial position.

### (m) Applications and redemptions

Applications received for units in the Fund are recorded net of any entry fees payable prior to the issue of units in the Fund. Redemptions from the Fund are recorded gross of any exit fees payable after the cancellation of units redeemed.

### (n) Goods and Services Tax (GST)

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

### (o) Use of estimates

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial period. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the Fund's financial instruments, observable market prices are readily available. However, certain financial instruments, for example over-the-counter derivatives or unquoted securities, are fair valued using valuation techniques. Where valuation techniques are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Responsible Entity, independent of the area that created them.

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

### (p) Rounding of amounts

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

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

Net gains/(losses) recognised in relation to financial assets and financial liabilities at fair value through profit or loss:

	Period from 15 July 2019 to 30 June 2020 \$
<b>Financial assets</b>	
Net realised gain on financial assets at fair value through profit or loss	54
<b>Net gains on financial assets at fair value through profit or loss</b>	54
<b>Total net gains on financial instruments at fair value through profit or loss</b>	54

### 4 Net assets attributable to unitholders

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

	Period from 15 July 2019 to 30 June 2020 No.	Period from 15 July 2019 to 30 June 2020 \$
Opening balance	-	-
Applications	100,000	5,000,000
Redemptions	(100,000)	(5,000,000)
Distributions paid and payable	-	(31,510)
Profit for the period	-	31,510
Closing balance	-	-

The Fund was terminated on 25 June 2020. The remaining net assets of the Fund are recorded as a payable at 30 June 2020.

As at 30 June 2020, net assets attributable to unitholders \$3,999,737 is classified as redemption payable.

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

There are three separate classes of units. Each unit within the same class has the same rights as all other units within that class. Except for different management fee rates, the three different classes have the same preferences and restrictions. Refer to note 9 for the applicable management fee rates.



## 5 Cash and cash equivalents

	As at 30 June 2020 \$
Cash at bank	4,008,001
<b>Total cash and cash equivalents</b>	<b>4,008,001</b>

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

	Period from 15 July 2019 to 30 June 2020 \$
<b>(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>	
Profit for the period	31,510
Purchase of financial instruments at fair value through profit or loss	(25,911,880)
Proceeds from sale of financial instruments at fair value through profit or loss	25,911,934
Net losses on financial instruments at fair value through profit or loss	(54)
Net change in payables	7,073
<b>Net cash inflow/(outflow) from operating activities</b>	<b>38,583</b>

As described in note 2(i), income not distributed is included in net assets attributable to unitholders. The change in this amount each period (as reported in (a) above) represents a non-cash financing cost as it is not settled in cash until such time as it becomes distributable.

## 7 Auditor's remuneration

During the period the following fees were paid or payable for services provided by the auditor of the Fund:

	Period from 15 July 2019 to 30 June 2020 \$
<b>PricewaterhouseCoopers Australian firm</b>	
<i>Audit and other assurance services</i>	
Audit of financial statements	14,896
Total remuneration for audit and other assurance services	14,896
<b>Total remuneration of PricewaterhouseCoopers</b>	14,896

Auditor's remuneration was paid by the Responsible Entity.

## 8 Payables

	As at 30 June 2020 \$
Redemptions payable	3,999,737
Net withholding tax payable on distributions	715
Recoverable management fees payable	6,358
<b>Total payables</b>	<b>4,006,810</b>

## 9 Related party transactions

### Responsible entity

The Responsible Entity of Pinnacle aShares Cash Fund (Managed Fund) is Pinnacle Fund Services Limited.

Pinnacle Investment Management Limited is the parent company of Pinnacle Fund Services Limited. Pinnacle Investment Management Group Limited is the ultimate holding company of Pinnacle Fund Services Limited.

Omega Global Investors Pty Ltd is the Investment Manager of the Fund.

## 9 Related party transactions (continued)

### Key management personnel

#### (a) Directors

Key management personnel includes persons who were directors of Pinnacle Fund Services Limited at any time during the financial period as follows:

Mr I Macoun

Mr A Ihlenfeldt

Mr C Kwok

Mr A Whittingham (appointed 5 August 2019)

Mr T O'Callaghan (resigned 5 August 2019)

#### (b) Other key management personnel

There were no other persons with responsibility for planning, directing and controlling the activities of the Fund, directly or indirectly during the financial period.

### Key management personnel compensation

Key management personnel of Pinnacle Fund Services Limited are paid by Pinnacle Services Administration Pty Ltd. Payments made from the Fund to Pinnacle Fund Services Limited do not include any amounts directly attributable to key management personnel remuneration.

### Other transactions within the Fund

From time to time directors of Pinnacle Fund Services Limited, or their director related entities, may invest in or withdraw from the Fund. These investments or withdrawals are on the same terms and conditions as those entered into by other Fund investors and are not material in nature.

Apart from those details disclosed in this note, no key management personnel have entered into any transaction with the Fund since the end of the previous financial period and there were no material balance involving directors' interests outstanding at period end.

### Management fees and other transactions

All related party transactions are conducted on normal commercial terms and conditions. The transactions during the period and amounts payable at period end between the Fund and the Responsible Entity and the Investment Manager.

The recoverable management fees of 0.15% p.a. is calculated daily based on the net asset value of the Fund.

### Related party unitholdings

Parties related to the Fund (including Pinnacle Fund Services Limited, its affiliates and other schemes managed by, or under trusteeship of Pinnacle Fund Services Limited or its affiliates), held no units as at 30 June 2020.

### Investments

The Fund did not hold any investments in Pinnacle Fund Services Limited or its related parties during the period.

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

Subsequent to financial position date 30 June 2020, all outstanding receivables were received and the residual cash was used to pay distribution payable, recoverable management fees, other expenses and final redemption during the period from 1 July 2020 to 4 September 2020. The financial report has been prepared on a liquidation basis because the Fund is no longer a going concern.

## **11 Contingent assets and liabilities and commitments**

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

## Directors' declaration

In the opinion of the directors of the Responsible Entity:

- (a) the financial statements and notes set out on pages 6 to 19 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
  - (ii) giving a true and fair view of the Fund's financial position as at 30 June 2020 and of its performance for the period ended on that date; and
- (b) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable; and
- (c) Note 2(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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



Director

Mr A Ihlenfeldt

Brisbane  
22 September 2020



## *Independent auditor's report*

To the unitholders of Pinnacle aShares Cash Fund

---

### *Our opinion*

In our opinion:

The accompanying financial report of Pinnacle aShares Cash Fund (the Registered Scheme) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Registered Scheme's financial position as at 30 June 2020 and of its financial performance for the period then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### *What we have audited*

The financial report comprises:

- the statement of financial position as at 30 June 2020
- the statement of comprehensive income for the period then ended
- the statement of changes in equity for the period then ended
- the statement of cash flows for the period then ended
- the notes to the financial statements, which include a summary of significant accounting policies
- the directors of the Responsible Entity's declaration.

---

### *Basis for opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

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

### *Independence*

We are independent of the Registered Scheme in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

---

### *Other information*

The directors of the Responsible Entity are responsible for the other information. The other information comprises the information included in the annual report for the period ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

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

---

**PricewaterhouseCoopers, ABN 52 780 433 757**  
480 Queen Street, BRISBANE QLD 4000, GPO Box 150, BRISBANE QLD 4001  
T: +61 7 3257 5000, F: +61 7 3257 5999, [www.pwc.com.au](http://www.pwc.com.au)

Liability limited by a scheme approved under Professional Standards Legislation.



In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

---

### *Responsibilities of the directors of the Responsible Entity for the financial report*

The directors of the Responsible Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors of the Responsible Entity determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors of the Responsible Entity are responsible for assessing the ability of the Registered Scheme to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Responsible Entity either intends to liquidate the Registered Scheme or to cease operations, or have no realistic alternative but to do so.

---

### *Auditor's responsibilities for the audit of the financial report*

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

A further description of our responsibilities for the audit 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.

A large, stylized handwritten signature in black ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in black ink that reads 'Ben Woodbridge'.

Ben Woodbridge  
Partner

Brisbane  
22 September 2020