

**All Star IAM Australian Share Fund**

ARSN 126 274 762

**Special purpose financial report  
For the year ended 30 June 2017**

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## **Special purpose financial report For the year ended 30 June 2017**

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Australian Share Fund

This annual report covers All Star IAM Australian Share Fund as an individual entity.

The Responsible Entity of All Star IAM Australian Share Fund is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975).

The Responsible Entity's registered office is:  
Level 1, 575 Bourke Street  
Melbourne, VIC 3000.

## Directors' report

The directors of Equity Trustees Limited, the Responsible Entity of All Star IAM Australian Share Fund (the "Fund"), present their report together with the financial statements of the Fund for the year ended 30 June 2017.

### Principal activities

Until its termination on 30 June 2017, the Fund invested in Australian listed equities and Australian listed property trusts in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution.

During the year, all assets of the Fund were liquidated and returned to unit holders.

The Fund did not have any employees during the year.

The various service providers for the Fund are detailed below:

<b>Service</b>	<b>Provider</b>
Responsible Entity	Equity Trustees Limited
Investment Manager	Ventura Investment Management Ltd
Sub-Investment Manager	Kaplan Funds Management Pty Limited*
Custodian and Administrator	National Australia Bank Limited
Statutory Auditor	Deloitte Touche Tohmatsu

\* Independent Asset Management Pty Limited retired as Sub-Investment Manager on 24 December 2016 and were replaced on that date by Kaplan Funds Management Pty Limited.

### Directors

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

Philip D Gentry	Chairman
Harvey H Kalman	
Martin G Walsh	(resigned 9 June 2017)
Geoffory R Rimmer	(resigned 4 October 2016)
Ian C Westley	(appointed 12 December 2016)

### Review and results of operations

This is the final financial statements for the Fund, which has terminated.

During the period prior to its termination, the Fund continued to invest its funds in accordance with the Product Disclosure Statement and 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:

	Year ended 30 June 2017 \$	Year ended 30 June 2016 \$
Operating profit/(loss) before finance costs attributable to unit holders (\$)	3,978,230	(5,188,227)
<b>Distributions - Retail</b>		
Distributions paid and payable (\$)	7,779,625	497,324
Distributions (cents per unit)	63.2048	1.5236
<b>Distributions - Wholesale</b>		
Distributions paid and payable (\$)	7,095,515	201,843
Distributions (cents per unit)	62.4102	1.7818
<b>Distributions - Institutional</b>		
Distributions paid and payable (\$)	-	414,687
Distributions (cents per unit)	-	2.0460

**Significant changes in the state of affairs**

The Fund terminated on 30 June 2017 when all unit holders' entitlements were redeemed.

Geoffroy R Rimmer resigned as a director of Equity Trustees Limited on 4 October 2016.

Ian C Westley was appointed as a director of Equity Trustees Limited on 12 December 2016.

Martin G Walsh resigned as a director of Equity Trustees Limited on 9 June 2017.

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

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

No matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may have a significant effect on:

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

**Indemnification and insurance of officers**

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

**Indemnification of auditor**

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

## Directors' report (continued)

### Interests in the Fund

The movement in units on issue in the Fund during the year is disclosed in Note 5 to the financial statements.

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

### Environmental regulation

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

### Rounding of amounts to the nearest dollar

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

### Auditor's independence declaration

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

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



Philip D Gentry  
Chairman

Melbourne  
31 August 2017

31 August 2017

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

Dear Board Members,

### **Independence Declaration – All Star IAM Australian Share Fund**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the Directors of Equity Trustees Limited, the Responsible Entity, regarding the financial report of All Star IAM Australian Share Fund (the "Fund").

As lead audit partner for the audit of the financial statements of the Fund for the financial year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully



DELOITTE TOUCHE TOHMATSU



Mark Stretton  
Partner  
Chartered Accountants

**All Star IAM Australian Share Fund**  
**Statement of comprehensive income**  
**For the year ended 30 June 2017**

**Statement of comprehensive income**

		Year ended 30 June 2017 \$	Year ended 30 June 2016 \$
<b>Investment income</b>			
Interest income		5,833	5,489
Dividend and distribution income		301,581	1,333,603
Net gains/(losses) on financial instruments held at fair value through profit or loss	3	<u>4,131,371</u>	<u>(6,115,239)</u>
<b>Total investment income/(loss)</b>		<u><b>4,438,785</b></u>	<u><b>(4,776,147)</b></u>
<b>Expenses</b>			
Management fees		58,336	258,940
Transaction costs		107,370	121,954
Other expenses	12	<u>294,849</u>	<u>31,186</u>
<b>Total expenses</b>		<u><b>460,555</b></u>	<u><b>412,080</b></u>
<b>Operating profit/(loss)</b>		<u><b>3,978,230</b></u>	<u><b>(5,188,227)</b></u>
<b>Finance costs attributable to unit holders</b>			
Distributions to unit holders	6	<u>(14,875,140)</u>	<u>(1,113,854)</u>
(Increase)/decrease in net assets attributable to unit holders	5	<u>10,896,910</u>	<u>6,302,081</u>
<b>Profit/(loss) for the year</b>		<u><b>-</b></u>	<u><b>-</b></u>
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u><b>-</b></u>	<u><b>-</b></u>

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

**Statement of financial position**

		As at	
		30 June 2017	30 June 2016
	Note	\$	\$
<b>Assets</b>			
Cash and cash equivalents	7	-	246,677
Receivables	9	-	117,449
Financial assets held at fair value through profit or loss	4	-	19,684,380
<b>Total assets</b>		<u>-</u>	<u>20,048,506</u>
<b>Liabilities</b>			
Payables	10	-	68,176
<b>Total liabilities (excluding net assets attributable to unit holders)</b>		<u>-</u>	<u>68,176</u>
<b>Net assets attributable to unit holders - liability</b>	5	<u>-</u>	<u>19,980,330</u>

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

**Statement of changes in equity**

	<b>Year ended 30 June 2017 \$</b>	<b>Year ended 30 June 2016 \$</b>
<b>Total equity at the beginning of the year</b>		
Profit/(loss) for the period	-	-
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<u>-</u>	<u>-</u>
	-	-
<b>Total equity at the end of the year</b>	<u>-</u>	<u>-</u>

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

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

**Statement of cash flows**

	Note	Year ended 30 June 2017 \$	Year ended 30 June 2016 \$
<b>Cash flows from operating activities</b>			
Proceeds from sale of financial instruments held at fair value through profit or loss		34,479,500	36,486,731
Purchase of financial instruments held at fair value through profit or loss		(10,663,749)	(14,002,386)
Transaction costs on financial instruments held at fair value through profit or loss		(107,370)	(122,788)
Interest income received		5,833	5,489
Dividends and distributions received		395,218	1,340,527
GST received		3,648	8,742
Management fees paid		(102,633)	(323,548)
Other expenses paid		<u>(294,849)</u>	<u>(43,961)</u>
<b>Net cash inflow/(outflow) from operating activities</b>	8(a)	<u><b>23,715,598</b></u>	<u>23,348,806</u>
<b>Cash flows from financing activities</b>			
Proceeds from applications by unit holders		1,713,376	816,862
Payments for redemptions by unit holders		(10,800,511)	(25,811,618)
Distributions paid to unit holders		<u>(14,875,140)</u>	<u>(1,487,344)</u>
<b>Net cash inflow/(outflow) from financing activities</b>		<u><b>(23,962,275)</b></u>	<u>(26,482,100)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u><b>(246,677)</b></u>	<u>(3,133,294)</u>
Cash and cash equivalents at the beginning of the year		<u>246,677</u>	<u>3,379,971</u>
<b>Cash and cash equivalents at the end of the year</b>	7	<u>-</u>	<u>246,677</u>
Non-cash operating and financing activities	8(b)	-	266,091

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

**Notes to the financial statements**

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## **1 General information**

These special purpose financial statements cover All Star IAM Australian Share Fund (the "Fund") as an individual entity. The Fund is an Australian registered managed investment scheme which was constituted on 12 July 2007. The Fund terminated its operations on 30 June 2017 when all assets of the Fund were realised and all units were redeemed out of the Fund.

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

Until its termination on 30 June 2017, the Fund invested in Australian listed equities and Australian listed property trusts in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution.

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

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

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

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

The Fund is not a reporting entity because, in the directors' opinion, it is unlikely that users exist who are unable to command the preparation of reports tailored so as to satisfy, specifically, all of their information needs. Accordingly these special purpose financial statements have been prepared to satisfy the directors' reporting requirements under the Fund's Constitution.

As the Fund was terminated on 30 June 2017, the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a liquidation basis. The liquidation basis means assets have been written down to the lower of their carrying amounts and net realisable value and additional liabilities have been recognised to the extent there was a present obligation at the reporting date. The accounting policies set out below have been applied within this context. As there were no assets or liabilities at the reporting date, adopting the liquidation basis did not change the carrying amounts of any assets or liabilities.

The financial statements have been prepared in accordance with the recognition and measurement principles of all applicable Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB), the *Corporations Act 2001* in Australia and the following disclosure requirements:

- AASB 101 *Presentation of Financial Statements*;
- AASB 107 *Statement of Cash Flows*;
- AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*;
- AASB 1048 *Interpretation and Application Standards*; and
- AASB 1054 *Australian Additional Disclosures*

The Fund is a for-profit entity for the purposes of preparing the financial statements.

### **(b) Financial instruments**

#### *(i) Classification*

The Fund's investments are classified as held at fair value through profit or loss. They comprise of:

- Financial instruments designated at fair value through profit or loss upon initial recognition

These include financial assets and liabilities that are not held for trading purposes and which may be sold. These are investments in exchange traded equity securities and listed unit trusts.

Financial assets and liabilities designated at fair value through profit or loss at inception are those managed and their performance evaluated on a fair value basis in accordance with the Fund's documented investment strategy as outlined in the Product Disclosure Statement. The Fund's policy is for the Investment Manager to evaluate information about these financial instruments on a fair value basis together with other related financial information.

## 2 Summary of significant accounting policies (continued)

### (b) Financial instruments (continued)

#### (ii) Recognition and derecognition

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

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or the Fund has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liabilities are discharged.

#### (iii) Measurement

- Financial instruments held at fair value through profit or loss

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

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

The fair value of financial assets and liabilities traded in active markets (such as Australian listed equities and Australian listed property trusts) are based on quoted market prices at the close of trading at the end of the reporting period without any deduction for estimated future selling costs.

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

#### (iv) Offsetting financial instruments

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

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

### (c) Net assets attributable to unit holders

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

The units can be put back to the Fund at any time for cash based on the redemption price.

The units are carried at the redemption amount that is payable at the reporting date if the holder exercises the right to put the units back to the Fund.

### (d) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

## 2 Summary of significant accounting policies (continued)

### (e) Investment income

#### (i) Interest income

Interest income on cash and cash equivalents is recognised in the statement of comprehensive income on an accruals basis. Other changes in fair value for such instruments are recorded in accordance with the policies described in Note 2(b) to the financial statements.

#### (ii) Dividends and distributions

Dividend income is recognised on the ex-dividend date with any related foreign withholding tax recorded as an expense. The Fund currently incurs withholding tax imposed by certain countries on investment income. Such income is recorded gross of withholding tax in the statement of comprehensive income.

Trust distributions are recognised on an entitlement basis.

### (f) Expenses

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

### (g) Income tax

Under current legislation, the Fund is not subject to income tax as unit holders are presently entitled to the income of the Fund. The benefits of any imputation credits and foreign tax paid are passed on to unit holders.

### (h) Distributions

The Fund distributes its distributable income, in accordance with the Fund's Constitution, to unit holders by cash or reinvestment. The distributions are recognised in the statement of comprehensive income as finance costs attributable to unit holders.

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

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

### (j) Functional and presentation currency

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

### (k) Due from/to brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by period end. Trades are recorded on trade date, and normally settled within two business days. A provision for impairment of amounts due from brokers is established when there is objective evidence that the Fund will not be able to collect all amounts due from the relevant broker. Indicators that the amount due from brokers is impaired include significant financial difficulties of the broker, and the probability that the broker will enter into bankruptcy or financial reorganisation and default in payments.

### (l) Receivables

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

## 2 Summary of significant accounting policies (continued)

### (l) Receivables (continued)

Collectability of receivables is reviewed on an ongoing basis. Receivables which are known to be uncollectable are written off by reducing the carrying amount directly. The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

### (m) Payables

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

As the Fund has a contractual obligation to distribute its distributable income, a separate distribution payable is recognised in the statement of financial position as at the end of each reporting period where this amount remains unpaid as at the end of the reporting period.

### (n) 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.

### (o) Goods and services tax (GST)

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

### (p) Use of estimates

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

### (q) Rounding of amounts

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

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

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

	Year ended 30 June 2017 \$	Year ended 30 June 2016 \$
<b>Financial assets</b>		
Net realised gain/(loss) on financial assets held at fair value through profit or loss	4,131,371	(3,795,438)
Net unrealised gain/(loss) on financial assets held at fair value through profit or loss	<u>-</u>	<u>(2,319,801)</u>
<b>Total net gains/(losses) on financial instruments held at fair value through profit or loss</b>	<u>4,131,371</u>	<u>(6,115,239)</u>

**4 Financial assets held at fair value through profit or loss**

	<b>As at</b>	
	<b>30 June</b>	<b>30 June</b>
	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>Designated at fair value through profit or loss</b>		
Australian listed equity securities	-	19,573,084
Australian listed property trusts	-	111,296
Total designated at fair value through profit or loss	-	19,684,380
<b>Total financial assets held at fair value through profit or loss</b>	-	19,684,380

**5 Net assets attributable to unit holders**

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

	Year ended <b>30 June</b> <b>2017</b>	Year ended 30 June 2016	Year ended <b>30 June</b> <b>2017</b>	Year ended 30 June 2016
	<b>Units</b>	Units	<b>\$</b>	\$
<b>Retail</b>				
Opening balance	<b>25,631,152</b>	46,059,826	<b>13,882,166</b>	28,797,185
Applications	<b>2,877,501</b>	1,459,876	<b>1,693,212</b>	826,210
Redemptions	<b>(28,508,653)</b>	(21,958,238)	<b>(10,240,294)</b>	(11,966,992)
Reinvestment of distributions	-	69,688	-	39,732
Increase/(decrease) in net assets attributable to unit holders	-	-	<b>(5,335,084)</b>	(3,813,969)
<b>Closing balance</b>	-	25,631,152	-	13,882,166
<b>Wholesale</b>				
Opening balance	<b>11,509,474</b>	12,633,827	<b>6,098,164</b>	7,711,354
Redemptions	<b>(11,509,474)</b>	(1,535,701)	<b>(536,338)</b>	(922,666)
Reinvestment of distributions	-	411,348	-	226,359
Increase/(decrease) in net assets attributable to unit holders	-	-	<b>(5,561,826)</b>	(916,883)
<b>Closing balance</b>	-	11,509,474	-	6,098,164
<b>Institutional</b>				
Opening balance	-	20,268,016	-	14,412,000
Redemptions	-	(20,268,016)	-	(12,840,771)
Increase/(decrease) in net assets attributable to unit holders	-	-	-	(1,571,229)
<b>Closing balance</b>	-	-	-	-
<b>Total closing balance</b>	-	-	-	19,980,330

**5 Net assets attributable to unit holders (continued)**

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 two separate classes of units. Each unit within the same class has the same rights as all other units within that class. Each unit class has a different management fee rate.

**6 Distributions to unit holders**

The distributions declared during the period were as follows:

	<b>Year ended 30 June 2017 \$</b>	<b>Year ended 30 June 2017 CPU</b>	<b>Year ended 30 June 2016 \$</b>	<b>Year ended 30 June 2016 CPU</b>
<b>Distributions - Retail</b>				
December	7,779,625	63.2048	345,837	0.9748
May	-	-	151,487	0.5488
<b>Total distributions</b>	<b><u>7,779,625</u></b>	<b><u>63.2048</u></b>	<b><u>497,324</u></b>	<b><u>1.5236</u></b>
<b>Distributions - Wholesale</b>				
December	7,095,515	62.4102	127,541	1.1325
May	-	-	74,302	0.6493
<b>Total distributions</b>	<b><u>7,095,515</u></b>	<b><u>62.4102</u></b>	<b><u>201,843</u></b>	<b><u>1.7818</u></b>
<b>Distributions - Institutional</b>				
December	-	-	263,544	1.3003
May	-	-	151,143	0.7457
<b>Total distributions</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>414,687</u></b>	<b><u>2.0460</u></b>
<b>Total distributions</b>	<b><u>14,875,140</u></b>		<b><u>1,113,854</u></b>	

**7 Cash and cash equivalents**

	<b>30 June 2017 \$</b>	<b>As at 30 June 2016 \$</b>
Cash at bank	-	246,677
<b>Total cash and cash equivalents</b>	<b><u>-</u></b>	<b><u>246,677</u></b>

This account is earning a floating interest rate of between 1.05% and 1.30% as at 30 June 2017 (30 June 2016: 1.30% and 1.55%).

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

	Year ended 30 June 2017 \$	Year ended 30 June 2016 \$
<b>(a) Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities</b>		
Profit/(loss) for the period	-	-
Increase/(decrease) in net assets attributable to unit holders	<b>(10,896,910)</b>	(6,302,081)
Distribution to unit holders	<b>14,875,140</b>	1,113,854
Proceeds from sale of financial instruments held at fair value through profit or loss	<b>34,479,500</b>	36,486,731
Purchase of financial instruments held at fair value through profit or loss	<b>(10,663,749)</b>	(14,002,386)
Net (gains)/losses on financial instruments held at fair value through profit or loss	<b>(4,131,371)</b>	6,115,239
Net change in receivables	<b>97,285</b>	15,666
Net change in payables	<b>(44,297)</b>	(78,217)
<b>Net cash inflow/(outflow) from operating activities</b>	<b><u>23,715,598</u></b>	<b><u>23,348,806</u></b>

**(b) Non-cash operating and financing activities**

The following distribution payments to unit holders were satisfied by the issue of units under the distribution reinvestment plan.

	<u>-</u>	<u>266,091</u>
<b>Total non-cash operating and financing activities</b>	<u>-</u>	<u>266,091</u>

As described in Note 2(i), income not distributed is included in net assets attributable to unit holders. The change in this amount for the year (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.

**9 Receivables**

	As at	
	30 June 2017 \$	30 June 2016 \$
Dividends receivable	-	93,637
Applications receivable	-	20,164
GST receivable	-	3,648
<b>Total receivables</b>	<u>-</u>	<u>117,449</u>

**10 Payables**

	As at	
	30 June 2017 \$	30 June 2016 \$
Management fees payable	-	44,297
Redemptions payable	-	23,879
<b>Total payables</b>	<u>-</u>	<u>68,176</u>

**11 Remuneration of auditor**

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

	Year ended 30 June 2017 \$	Year ended 30 June 2016 \$
<b>Deloitte Touche Tohmatsu</b>		
<i>Audit and other assurance services</i>		
Audit of financial statements	3,000	8,000
Audit of compliance plan	-	3,200
Total remuneration for audit and other assurance services	3,000	11,200
<i>Taxation services</i>		
Tax compliance services	4,820	5,040
Total remuneration for taxation services	4,820	5,040
<b>Total remuneration of Deloitte Touche Tohmatsu</b>	<b>7,820</b>	<b>16,240</b>

The auditor's remuneration is borne by the Investment Manager. Fees are stated net of GST.

**12 Other expenses**

	Year ended 30 June 2017 \$	Year ended 30 June 2016 \$
Compliance fees	1,360	1,360
Expense recovery fee	79,290	29,826
Subscription fees	2,240	-
Legal fees	211,959	-
<b>Total other expenses</b>	<b>294,849</b>	<b>31,186</b>

**13 Events occurring after the reporting period**

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Fund as disclosed in the statement of financial position as at 30 June 2017 or on the results and cash flows of the Fund for the year ended on that date.

**14 Contingent assets and liabilities and commitments**

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2017 and 30 June 2016.

## Directors' declaration

As stated in Note 2(a) of the financial statements, the Fund is not a reporting entity because, in the directors' opinion, it is unlikely that users exist who are unable to command the preparation of reports tailored so as to satisfy, specifically, all of their information needs. Accordingly these special purpose financial statements have been prepared to satisfy the directors' reporting requirements under the *Corporations Act 2001*.

In the opinion of the directors of the Responsible Entity:

- (a) The financial statements and notes set out on pages 6 to 18:
  - (i) comply with Australian Accounting Standards and other mandatory professional reporting requirements, to the extent outlined in Note 2 to the financial statements; and
  - (ii) give a true and fair view of the Fund's financial position as at 30 June 2017 and of its performance for the financial year ended on that date.
- (b) As outlined in Note 1 to the financial statements, the Fund terminated its operations on 30 June 2017 and all units were redeemed out of the Fund.

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



Philip D Gentry  
Chairman

Melbourne  
31 August 2017

## Independent Auditor's Report to the Directors of All Star IAM Australian Share Fund

### *Opinion*

We have audited the financial report, being a special purpose financial report, of All Star IAM Australian Share Fund (the "Fund") which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the Directors' declaration.

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

- (i) giving a true and fair view of the Fund's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### *Basis for Opinion*

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

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

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

### *Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use*

We draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the directors of Equity Trustees Limited (the "Directors") as the Responsible Entity of the Fund, to meet the financial reporting requirements of the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.

### *Other Information*

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report for the year ended 30 June 2017, but does not include the financial report and our auditor's report thereon.

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

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

### *Responsibilities of the Directors for the Financial Report*

The Directors are responsible for the preparation of the financial report 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 determine 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 are responsible for assessing the ability of the Fund to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Directors are responsible for overseeing the Fund's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Report*

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

*Deloitte Touche Tohmatsu*

DELOITTE TOUCHE TOHMATSU

*M Stretton*

Mark Stretton  
Partner  
Chartered Accountants

Melbourne, 31 August 2017