

# **2000's Lifestage Fund - A**

ABN 59 724 734 182

**Annual report - for the year ended  
30 June 2022**

# 2000's Lifestage Fund - A

ABN 59 724 734 182

## Annual report - for the year ended 30 June 2022

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These financial statements cover 2000's Lifestage Fund - A as an individual entity.

The Trustee of 2000's Lifestage Fund - A is BT Funds Management Limited (ABN 63 002 916 458). The Trustee's registered office is Level 18, 275 Kent Street, Sydney, NSW 2000.

**2000's Lifestage Fund - A**  
**Statement of comprehensive income**  
**For the year ended 30 June 2022**

**Statement of comprehensive income**

	Year ended	
	30 June 2022	30 June 2021
Notes	\$'000	\$'000
<b>Income</b>		
Distribution income	7,205	3,696
Net gains/(losses) on financial instruments held at fair value through profit or loss	(14,634)	4,420
<b>Total income/(loss)</b>	<b>(7,429)</b>	<b>8,116</b>
<b>Expenses</b>		
Trustee's fees	10(d) 1	-
<b>Total operating expenses</b>	<b>1</b>	<b>-</b>
<b>Operating profit/(loss)</b>	<b>(7,430)</b>	<b>8,116</b>
<b>Profit/(loss) for the year</b>	<b>(7,430)</b>	<b>8,116</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>(7,430)</b>	<b>8,116</b>

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

**2000's Lifestage Fund - A**  
**Balance sheet**  
**As at 30 June 2022**

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**Balance sheet**

	Notes	As at	
		30 June 2022	30 June 2021
		\$'000	\$'000
<b>Assets</b>			
Cash and cash equivalents	8	191	123
Accrued income		7,205	2,644
Financial assets held at fair value through profit or loss	9	68,717	46,947
<b>Total assets</b>		<b>76,113</b>	49,714
<b>Liabilities</b>			
Distribution payable	7	7,425	2,923
<b>Total liabilities</b>		<b>7,425</b>	2,923
<b>Net assets attributable to unitholders - equity</b>	6	<b>68,688</b>	46,791

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

**2000's Lifestage Fund - A**  
**Statement of changes in equity**  
**For the year ended 30 June 2022**

**Statement of changes in equity**

	Notes	Year ended	
		30 June 2022	30 June 2021
		\$'000	\$'000
<b>Total equity at the beginning of the financial year</b>		<b>46,791</b>	19,923
<b>Comprehensive income for the year</b>			
Profit/(loss) for the year		(7,430)	8,116
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>(7,430)</b>	8,116
<b>Transactions with unitholders</b>			
Applications	6	42,540	25,957
Redemptions	6	(8,708)	(5,220)
Units issued upon reinvestment of distributions	6	2,920	1,991
Distributions paid and payable	7	(7,425)	(3,976)
<b>Total transactions with unitholders</b>		<b>29,327</b>	18,752
<b>Total equity at the end of the financial year</b>		<b>68,688</b>	46,791

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

**2000's Lifestage Fund - A**  
**Statement of cash flows**  
**For the year ended 30 June 2022**

**Statement of cash flows**

		<b>Year ended</b>	
		<b>30 June</b>	<b>30 June</b>
		<b>2022</b>	<b>2021</b>
Notes		<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>			
	Proceeds from sale of financial instruments held at fair value through profit or loss	<b>4,250</b>	5,075
	Purchase of financial instruments held at fair value through profit or loss	<b>(38,010)</b>	(25,591)
	Interest received	-	1
	Trustee's fees received/(paid)	<b>(1)</b>	-
	<b>Net cash inflow/(outflow) from operating activities</b>	<b>(33,761)</b>	<b>(20,515)</b>
12(a)		<u>(33,761)</u>	<u>(20,515)</u>
<b>Cash flows from financing activities</b>			
	Proceeds from applications by unitholders	<b>38,205</b>	25,957
	Payments for redemptions by unitholders	<b>(4,373)</b>	(5,368)
	Distributions paid	<b>(3)</b>	(3)
	<b>Net cash inflow/(outflow) from financing activities</b>	<b>33,829</b>	<b>20,586</b>
		<u>33,829</u>	<u>20,586</u>
	<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>68</b>	71
	Cash and cash equivalents at the beginning of the year	<b>123</b>	52
	<b>Cash and cash equivalents at the end of the year</b>	<b>191</b>	<b>123</b>
8		<u>191</u>	<u>123</u>
	Non-cash transactions		
12(b)			

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

## **1 General information**

These financial statements cover 2000's Lifestage Fund - A ("the Fund") as an individual entity. The Fund was constituted on 16 September 2013.

The Trustee of the Fund is BT Funds Management Limited ("the Trustee"). The Trustee's registered office is Level 18, 275 Kent Street, Sydney, NSW 2000. The financial statements are presented in Australian currency.

The Fund is currently closed to investment by new investors, however, existing investors can continue to invest in the Fund.

As at 30 June 2022, Retirement Wrap owns 99.94% of the units on issue in the Fund. During August 2022, the BT Super for Life (accumulation) and BT Super products within Retirement Wrap were closed to new members, due to the failure of the Annual Performance Assessment for the second consecutive year.

The Fund was deregistered as a registered managed investment scheme by the Australian Securities and Investments Commission on 5 June 2022.

During the year, the Fund continued to invest into the 1990's Lifestage Fund - A in accordance with the provisions of the governing documents. Through this investment, the Fund was exposed to a diversified portfolio of investments.

The financial statements were authorised for issue by the directors of the Trustee on 21 September 2022. The directors of the Trustee 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 years presented, unless otherwise stated.

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

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Accounting Standards Board and the Trust Deed in Australia. The Fund is a for-profit unit trust 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 balance sheet is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within 12 months, except for financial assets at fair value through profit or loss.

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

In the case of net assets attributable to unitholders, the units are redeemed on demand at the unitholder's option. However holders of these instruments typically retain them for the medium to long term. As such the amount expected to be settled within 12 months cannot be reliably determined at the end of the reporting period.

#### *(i) Compliance with International Financial Reporting Standards*

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

#### *(ii) Comparatives*

Certain comparative figures have been restated to conform with the financial statement presentation adopted for the current year.

## 2 Summary of significant accounting policies (continued)

### (a) Basis of preparation (continued)

#### *(iii) New and amended standards adopted by the Fund*

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2021 that have a material impact on the amounts recognised in the financial statements in the prior, current or future periods.

### (b) Financial instruments

#### *(i) Recognition/derecognition*

The Fund recognises financial instruments ("investments") on the date it becomes party to the contractual agreement and recognises changes in the value of the financial instruments from this date.

Financial assets are derecognised when the contractual right to cash flows from the investments has expired or has been transferred, and the Fund has transferred substantially all of the risks and rewards of ownership.

#### *(ii) Classification*

The Fund classifies its financial instruments based on its business model for managing its investments and their contractual cash flow characteristics. The Fund's investments are 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 Trustee to evaluate the information about the investments on a fair value basis together with other related financial information.

For unlisted unit trusts, the contractual cash flows are not solely principal and interest. Consequently, these investments are measured at fair value through profit or loss.

#### *(iii) Measurement*

At initial recognition, a financial asset is measured at fair value. Transaction costs associated with financial assets carried at fair value through profit or loss are expensed in the statement of comprehensive income.

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

Refer to note 4 for further details on how the fair values of financial instruments are determined.

### (c) Net assets attributable to unitholders

Units are redeemable at the unitholder's option, however applications and redemptions may be suspended by the Trustee if it is in the best interests of the unitholders. The units are classified as equity as the Fund has only one class of units and no contractual obligation to pay distributions.

A unitholder can redeem units at any time for cash based on the redemption price, which is equal to a proportionate share of the Fund's net asset value.



## 2 Summary of significant accounting policies (continued)

### (c) Net assets attributable to unitholders (continued)

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 attributed to the puttable financial instrument over its life are based substantially on the profit or loss of the Fund.

### (d) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash at bank, deposits held at call with financial institutions and investments in cash management trusts where they hold short-term, highly liquid investments 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 financial assets 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) Accrued income

Accrued income may include amounts owed to the Fund for trust distributions and interest. Trust distributions are accrued when the right to receive payment is established. Interest is accrued from the time of last payment. Amounts are generally received within 45 days of being recorded as receivable.

### (f) Unsettled sales/purchases

Unsettled sales/purchases represent receivables for securities sold and/or payables for securities purchased that have been contracted for but not yet delivered by the end of the reporting period.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund measures the loss allowance on unsettled sales/purchases 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 measures the loss allowance at an amount equal to 12-month expected credit losses. The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses.

### (g) Receivables

Receivables include such items as Reduced Input Tax Credits ("RITC") and application monies receivable from unitholders.

### (h) Payables

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

Where the Trustee has income that is distributable to unitholders, a separate distribution payable is recognised in the balance sheet as at the end of each reporting period where this amount remains unpaid as at the end of the reporting period.

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

### **(i) Investment income**

Interest income is recognised in the statement of comprehensive income for all financial instruments that are not held at fair value through profit or loss as it accrues.

Trust distributions (including distributions from cash management trusts) are recognised on an entitlement's basis.

### **(j) Expenses**

All expenses, including Trustee's fees, are recognised in the statement of comprehensive income on an accruals basis.

### **(k) Income tax**

Under current legislation, the Fund is not subject to income tax provided it attributes or distributes (as appropriate) the entirety of its taxable income to its unitholders.

Financial instruments held at fair value may include unrealised capital gains. Should such a gain be realised, that portion of the gain that is subject to capital gains tax will be included in the Fund's taxable income for distribution/attribution, so that the Fund is not subject to capital gains tax.

Realised capital losses are not distributed to unitholders but are retained in the Fund to be offset against any realised capital gains. If realised capital gains exceed realised capital losses, the excess is distributed or attributed to unitholders.

To the extent allowable by taxation legislation, the benefits of imputation credits and foreign tax paid are passed on to unitholders.

### **(l) Distributions**

In accordance with the Trust Deed, the Trustee is entitled to determine the amounts to be distributed to unitholders. The distributions are recognised in the statement of changes in equity.

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

The GST incurred on the costs of various services provided to the Fund, such as management fees, has been passed onto the Fund. The Fund qualifies for RITC, hence 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 balance sheet. Cash flows relating to GST are included in the statement of cash flows on a gross basis.

### **(n) Use of estimates**

Management makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated 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 financial instruments held, quoted market prices are readily available.

For certain other financial instruments, including unsettled sales and purchases and payables, the carrying amounts approximate fair value due to the short-term nature of these financial instruments.

Refer to note 4 for further details on how fair value is calculated.

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

A number of new accounting standards and interpretations have been published that are not mandatory for the 30 June 2022 reporting period. None of these are expected to have a material effect on the financial statements of the Fund.

## 2 Summary of significant accounting policies (continued)

### (p) Rounding of amounts

Amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise indicated.

## 3 Financial risk management

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

The Fund's overall risk management program focuses on ensuring compliance with its governing documents and seeks to maximise the returns derived for the level of risk to which the Fund is exposed. Financial risk management is carried out by the investment manager in accordance with board approved policies.

The Fund uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and price risks and ratings analysis for credit risk.

The investment manager mitigates these financial risks through diversification and a careful selection of securities and other financial instruments within specified limits.

The Fund's performance exceptions to its benchmark are reported to the board or board delegated committee on a regular basis.

### (a) Market risk

#### (i) Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices.

Price risk arises on investments held for which prices in the future are uncertain. These are classified in the balance sheet as at fair value through profit or loss. All security investments present a risk of loss of capital.

Exceptions to compliance are reported to the board or board delegated committee on a regular basis.

The table presented in note 3(b) summarises sensitivity analysis to price risk.

#### (ii) Foreign exchange risk

Foreign exchange risk arises as the value of monetary securities denominated in other currencies fluctuates due to changes in exchange rates. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk and not foreign exchange risk.

The Fund does not hold any significant monetary assets denominated in currencies other than the Australian dollar as at 30 June 2022 and 30 June 2021.

Exceptions to compliance are reported to the board or board delegated committee on a regular basis.

#### (iii) 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. Changes in interest rates can have a direct or indirect impact on the investment value and/or returns of all types of assets.

The Fund does not have any significant direct exposure to interest rate risk. Any interest rate risk from investments held indirectly through underlying investments is reported as a component of price risk for the purposes of the sensitivity analysis.

Exceptions to compliance are reported to the board or board delegated committee on a regular basis.

### 3 Financial risk management (continued)

#### (b) Summarised sensitivity analysis

The following table summarises the sensitivity of the operating profit and net assets attributable to unitholders to price risk. The analysis is based on reasonably possible movements in the risk variables applied to the Fund's net assets. The reasonably possible movements in the risk variables have been determined based on management estimates, having regard to a number of factors including historical levels of changes in market indices, security prices and/or benchmark returns, interest rates and foreign exchange rates. However actual movements in the risk variables may be greater or less than anticipated due to a number of factors. As a result, historic variations in risk variables are not a definitive indicator of future variations in the risk variables.

The reasonably possible movements in the risk variables are based on long term averages consistent with the investing profile of the Fund.

	Impact on operating profit/(loss)/Net assets attributable to unitholders	
	Price risk	
	-15% (2021: -15%) \$'000	+15% (2021: +15%) \$'000
<b>As at</b>		
<b>30 June 2022</b>	<b>(10,308)</b>	<b>10,308</b>
30 June 2021	(7,042)	7,042

In determining the impact of an increase/(decrease) in net assets attributable to unitholders arising from market risk, the Trustee has considered prior period and expected future movements of the portfolio based on market information.

#### (c) Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when they fall due, causing a financial loss to the Fund.

Credit risk primarily arises from cash and cash equivalents, deposits with banks and other financial institutions and amounts due from brokers.

The Fund determines 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 consider both historical analysis and forward looking information in determining any expected credit loss. Management considers the probability of default to be close to zero as these financial assets have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be insignificant to the Fund.

Investments in unlisted unit trusts are exposed to credit risk.

Concentrations of direct credit risk are minimised primarily by:

- ensuring counterparties, together with the respective credit limits, are approved,
- ensuring that transactions are undertaken with a number of counterparties, and
- ensuring that the majority of transactions are undertaken on recognised exchanges.

Exceptions to compliance are reported to the board or board delegated committee on a regular basis.

### 3 Financial risk management (continued)

#### (d) Liquidity risk

Liquidity risk is the risk that sufficient cash resources may not be able to be generated to settle obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund is exposed to daily cash redemptions of redeemable units. The liquidity risk associated with the need to meet redemption requests is mitigated by maintaining adequate liquidity to fulfil usual redemption volumes.

The risk management guidelines adopted are designed to minimise liquidity risk through:

- ensuring that there is no significant exposure to illiquid or thinly traded financial instruments, and
- applying limits to ensure there is no concentration of liquidity risk to a particular counterparty.

Exceptions to the above are reported to the board or board delegated committee on a regular basis.

#### (i) Maturities of non-derivative financial liabilities

The non-derivative financial liabilities of the Fund comprise distribution payable, unsettled purchases and payables. These have no contractual maturities but are typically settled within 30 days.

### 4 Fair value measurement

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1),
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2), or
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Investments are valued in accordance with the accounting policies set out in note 2 to the financial statements.

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

The fair value of financial assets that are not traded in an active market is determined by using quoted market prices, dealer quotes and/or valuation techniques.

Unlisted unit trusts are valued at the redemption value per unit as reported by the managers of such funds.

#### (i) Recognised fair value measurements

The following table presents the financial assets measured and recognised at fair value by fair value hierarchy levels:

As at 30 June 2022	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets</b>				
Financial assets held at fair value through profit or loss:				
Unlisted unit trusts - Units in diversified trusts	-	68,717	-	68,717
<b>Total</b>	-	68,717	-	68,717

There were no financial liabilities measured and recognised at fair value as at 30 June 2022.

#### 4 Fair value measurement (continued)

(i) *Recognised fair value measurements (continued)*

As at 30 June 2021	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets</b>				
Financial assets held at fair value through profit or loss:				
Unlisted unit trusts - Units in diversified trusts	-	46,947	-	46,947
<b>Total</b>	-	46,947	-	46,947

There were no financial liabilities measured and recognised at fair value as at 30 June 2021.

Transfers into and out of the fair value hierarchy levels are recognised at the end of the reporting period.

(ii) *Transfers between levels*

There were no transfers between levels as at 30 June 2022 or 30 June 2021.

(iii) *Valuation processes*

Management undertakes regular portfolio reviews to identify securities that may not be actively traded or have stale security pricing and could be regarded as level 2 or level 3 securities. Further analysis, should it be required, is undertaken to determine the accounting significance of the identified securities. In the event that the security is not actively traded, an assessment is performed by management to determine the appropriate valuation price to use that is most representative of fair value.

**(b) Fair values of non-financial instruments**

Due to their short-term nature, the carrying value of receivables and payables are assumed to approximate their fair values.

#### 5 Remuneration of auditors

	Year ended	
	30 June 2022	30 June 2021
	\$	\$
<i>Audit and other assurance services</i>		
Audit of financial statements	10,240	6,019
Other services*	-	1,898
Total remuneration for audit and other assurance services inclusive of GST	10,240	7,917

\* Other services include compliance plan audit.

Audit fees were paid by the Trustee for the years ended 30 June 2022 and 30 June 2021.

## 6 Net assets attributable to unitholders

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

	<b>30 June 2022 No. '000</b>	30 June 2021 No. '000	<b>30 June 2022 \$'000</b>	30 June 2021 \$'000
Opening balance	<b>42,930</b>	21,228	<b>46,791</b>	19,923
Profit/(loss) for the year	-	-	<b>(7,430)</b>	8,116
Applications	<b>38,711</b>	24,585	<b>42,540</b>	25,957
Redemptions	<b>(7,836)</b>	(4,897)	<b>(8,708)</b>	(5,220)
Units issued upon reinvestment of distributions	<b>2,675</b>	2,014	<b>2,920</b>	1,991
Distributions paid and payable	-	-	<b>(7,425)</b>	(3,976)
Closing balance	<b>76,480</b>	42,930	<b>68,688</b>	46,791

As stipulated within the Trust Deed, each unit represents a right to an individual share in the Fund and does not extend to a right to the underlying assets of the Fund. There are no separate classes of units and each unit has the same rights attached to it as all other units of the Fund.

### (a) Capital risk management

Management manages the Fund's net assets attributable to unitholders as capital. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily applications and redemptions at the discretion of unitholders.

Management monitors the level of daily applications and redemptions relative to the liquid assets in the Fund. In the event of a significant redemption, as permitted under the governing documents, management may decide to pay a special distribution and/or may delay payment of the redemption amount.

## 7 Distributions to unitholders

	<b>Year ended</b>			
	<b>30 June 2022 \$'000</b>	<b>30 June 2022 CPU</b>	30 June 2021 \$'000	30 June 2021 CPU
Distributions paid				
- 30 September	-	-	262	0.990
- 31 December	-	-	322	1.020
- 31 March	-	-	469	1.320
Distribution payable				
- 30 June	<b>7,425</b>	<b>9.708</b>	2,923	6.809
Total	<b>7,425</b>	<b>9.708</b>	3,976	10.139

## 8 Cash and cash equivalents

	As at	
	30 June 2022	30 June 2021
	\$'000	\$'000
Cash at bank	191	123
Total cash and cash equivalents	191	123

## 9 Financial assets held at fair value through profit or loss

	As at	
	30 June 2022	30 June 2021
	Fair value \$'000	Fair value \$'000
<b>Financial assets held at fair value through profit or loss</b>		
Unlisted unit trusts - Units in diversified trusts	68,717	46,947
<b>Total financial assets held at fair value through profit or loss</b>	<b>68,717</b>	<b>46,947</b>

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

## 10 Related party transactions

### (a) Trustee

The Trustee of the Fund is BT Funds Management Limited (ABN 63 002 916 458), a wholly owned subsidiary of Westpac Financial Services Group Ltd (ABN 50 000 326 312). The ultimate parent entity is Westpac Banking Corporation (ABN 33 007 457 141). The registered office of the Trustee and the Fund is Level 18, 275 Kent Street, Sydney, NSW 2000.

### (b) Directors

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

Anne Anderson (appointed 19 October 2021)  
Robin Burns  
Douglas Carmichael  
Anne Clarke (appointed 26 April 2022)  
Michael Cottier  
Melinda Howes (resigned 4 October 2021)  
Gai McGrath (appointed 1 July 2021)  
Katherine Vincent (resigned 4 October 2021)



## 10 Related party transactions (continued)

### (c) Other key management personnel

Name	Position	Employer
Jason Yetton	Chief Executive, Specialist Businesses	Westpac Banking Corporation
Matthew Rady <sup>(1)</sup>	Chief Executive Officer, BT Financial Group	Westpac Banking Corporation
Katherine Vincent <sup>(2)</sup>	Chief Strategy & Product Officer, BT Financial Group	Westpac Banking Corporation
Melinda Howes <sup>(3)</sup>	Managing Director, BT Superannuation, BT Financial Group	Westpac Banking Corporation
Andrew Wallace <sup>(4)</sup>	Managing Director, Personal & Corporate Superannuation, BT Financial Group	Westpac Banking Corporation

<sup>(1)</sup> Matthew Rady was classified as key management personnel effective 5 October 2021 following his appointment as Chief Executive Officer of BT Financial Group.

<sup>(2)</sup> Katherine Vincent was classified as key management personnel effective 4 October 2021 following her resignation from the BT Funds Management Limited board.

<sup>(3)</sup> Melinda Howes was classified as key management personnel effective 4 October 2021 following her resignation from the BT Funds Management Limited board. She was no longer classified as key management personnel effective 3 December 2021 following her resignation from BT Financial Group.

<sup>(4)</sup> Andrew Wallace was classified as key management personnel effective 21 February 2022 following his appointment to the role of Managing Director, Personal & Corporate Superannuation.

There was no other person with responsibility for planning, directing and controlling the activities of the Fund, directly or indirectly, during the financial year.

### (d) Trustee's/manager's fees and other transactions

For the year ended 30 June 2022, the Fund incurred a management fee of 0.50% (inclusive of GST, net of RITC available to the Fund) per annum. For the period 1 July 2020 to 30 September 2020, the Fund incurred a management fee of 0.40% (inclusive of GST, net of RITC available to the Fund) per annum. This fee was increased to 0.50% per annum from 1 October 2020. Fees are paid in accordance with the Fund's governing documents.

This fee is partially paid out of the Fund and partially out of the assets of the underlying fund into which the Fund invests. The latter is reflected in the daily unit prices for the underlying fund.

In addition to the above fee, a performance fee is payable to certain underlying investment managers when they exceed specific investment performance targets. This fee is paid out of the assets of the underlying fund in which performance fees are charged and reflected in the daily unit prices for that underlying fund.

All expenses in connection with the preparation of accounting records and the maintenance of the unit register are fully borne by the Trustee.

## 10 Related party transactions (continued)

### (d) Trustee's/manager's fees and other transactions (continued)

All related party transactions are conducted on normal commercial terms and conditions. The transactions during the year and amounts payable/(receivable) at the end of each reporting period between the Fund and the Trustee were as follows:

	<b>30 June 2022</b>	30 June 2021
	\$	\$
Management fees incurred by the Fund #	<b>753</b>	351
Aggregate amounts payable/(receivable) to/(from) the Trustee at the end of the reporting period	<b>68</b>	28

# This represents the amount paid out of the Fund to the Trustee. In addition to this amount, the total fee charged also includes the fee charged in the underlying fund.

Where the Fund invests into another fund, the Trustee's fee is calculated after rebating the fee charged in the underlying fund. As a consequence, the amounts shown in the statement of comprehensive income reflect only the amount of the fee charged directly to the Fund.

### (e) Related party unitholdings

Parties related to the Fund (including the Trustee, its related parties and other funds managed by the Trustee) held units in the Fund as follows:

#### 30 June 2022

	<b>Number of units held opening</b>	<b>Number of units held closing</b>	<b>Interest held</b>	<b>Number of units acquired</b>	<b>Number of units disposed</b>	<b>Distributions paid/payable by the Fund</b>
<b>Unitholder</b>	<b>Units</b>	<b>Units</b>	<b>%</b>	<b>Units</b>	<b>Units</b>	<b>\$</b>
Parent - Retirement Wrap	<b>39,879,072</b>	<b>76,437,111</b>	<b>99.94</b>	<b>40,422,253</b>	<b>(3,864,214)</b>	<b>7,420,314</b>

#### 30 June 2021

	<b>Number of units held opening</b>	<b>Number of units held closing</b>	<b>Interest held</b>	<b>Number of units acquired</b>	<b>Number of units disposed</b>	<b>Distributions paid/payable by the Fund</b>
<b>Unitholder</b>	<b>Units</b>	<b>Units</b>	<b>%</b>	<b>Units</b>	<b>Units</b>	<b>\$</b>
Parent - Retirement Wrap	19,569,565	39,879,072	92.89	24,685,794	(4,376,287)	3,685,762
Westpac Financial Services Group Limited	311,848	-	-	25,375	(337,223)	10,996
<b>Total</b>	<b>19,881,413</b>	<b>39,879,072</b>	<b>92.89</b>	<b>24,711,169</b>	<b>(4,713,510)</b>	<b>3,696,758</b>

Other funds related to the Trustee hold units in the Fund but these funds do not meet the definition of related parties under the Australian Accounting Standards and as such unitholdings are not required to be disclosed.

## 10 Related party transactions (continued)

### (f) Transactions with key management personnel

Key management personnel services are provided by BT Funds Management Limited and included in the management fees disclosed in (d) above. There is no separate charge for these services. There was no compensation paid directly by the Fund to any of the key management personnel.

The Fund has 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.

#### *Key management personnel unitholdings*

At 30 June 2022, no key management personnel held units in the Fund (2021: Nil).

### (g) Investments

The Fund held the following investments including funds which are also managed by the Trustee or its related parties:

#### 30 June 2022

	Fair value of investment \$	Interest held %	Distributions received/ receivable \$	Units acquired during the year Units	Units disposed during the year Units
1990's Lifestage Fund - A	68,717,107	3.57	7,204,557	35,825,305	(3,709,933)

#### 30 June 2021

	Fair value of investment \$	Interest held %	Distributions received/ receivable \$	Units acquired during the year Units	Units disposed during the year Units
1990's Lifestage Fund - A	46,946,966	2.25	3,696,146	25,569,160	(4,629,703)

Distributions received/receivable includes the following amounts which remain unpaid at the end of each reporting period:

	As at	
	30 June 2022 \$	30 June 2021 \$
<b>Distributions receivable</b>		
1990's Lifestage Fund - A	7,204,557	2,644,174

### (h) Other transactions within the Fund

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

## 11 Structured entities

A structured entity is an entity in which voting or similar rights are not the dominant factor in deciding control. Structured entities are generally created to achieve a narrow and well defined objective with restrictions around their ongoing activities. Depending on the Fund's power over the activities of the entity and its exposure to and ability to influence its own returns, it may control the entity. However, the Fund applies the Investment Entity Exemption available under AASB 10 *Consolidated Financial Statements* and therefore does not consolidate its controlled entities. In other cases it may have exposure to such an entity but not control it.

An interest in a structured entity is any form of contractual or non-contractual involvement which creates variability in returns arising from the performance of the entity for the Fund. Such interests include holdings of units in unlisted trusts. The nature and extent of the Fund's interests in structured entities are summarised in note 9. Income earned and realised and unrealised gains/(losses) from structured entity investments are disclosed within the statement of comprehensive income.

The Fund has exposures to unconsolidated structured entities through its investment activities. The Fund's maximum exposure to loss is restricted to the carrying value of the asset.

The Fund's overall risk management program focuses on ensuring compliance with its governing documents and seeks to maximise the returns derived for the level of risk to which the Fund is exposed. The risks associated with the investments are referred to in note 3.

During the year the Fund did not provide financial support to unconsolidated structured entities and has no intention of providing financial or other support.

The Fund's investment strategy entails investments in other funds on a regular basis. The Fund intends to continue investing in other funds.

As at 30 June 2022, there were no capital commitment obligations other than what is in unsettled sales or unsettled purchases in the balance sheet (2021: \$Nil).

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

	Year ended	
	30 June 2022 \$'000	30 June 2021 \$'000
<b>(a) Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities</b>		
Operating profit/(loss) for the year	(7,430)	8,116
Proceeds from sale of financial instruments held at fair value through profit or loss	4,250	5,075
Purchase of financial instruments held at fair value through profit or loss	(38,010)	(25,591)
Net (gains)/losses on financial instruments held at fair value through profit or loss	14,634	(4,420)
Income reinvested	(2,644)	(2,047)
Net change in accrued income and receivables	(4,561)	(1,648)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(33,761)</b>	<b>(20,515)</b>

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

	Year ended	
	30 June 2022	30 June 2021
	\$'000	\$'000
<b>(b) Non-cash transactions</b>		
Distribution payments satisfied by the issue of units under the distribution reinvestment plan	2,920	1,991
Applications received as non-cash contributions	4,335	-
Redemptions settled as non-cash withdrawals	<u>(4,335)</u>	<u>-</u>

## 13 Events occurring after the reporting period

As at 30 June 2022, Retirement Wrap owns 99.94% of the units on issue in the Fund. During August 2022, the BT Super for Life (accumulation) and BT Super products within Retirement Wrap were closed to new members, due to the failure of the Annual Performance Assessment for the second consecutive year.

There were no other significant events which have occurred since the end of the reporting period which would impact on the financial position of the Fund disclosed in the balance sheet as at 30 June 2022 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 2022 or 30 June 2021.

## Statement by Trustee

In the opinion of the directors of the Trustee:

- (a) the financial statements and notes set out on pages 2 to 20:
  - (i) comply with Accounting Standards and other mandatory professional reporting requirements, and
  - (ii) present fairly, the Fund's financial position as at 30 June 2022 and its performance for the financial year ended on that date,
- (b) there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable, and
- (c) note 2(a) confirms that the financial statements 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.



Gai McGrath  
Director



Michael Cottier  
Director

Sydney  
21 September 2022



## Independent auditor's report

To the unitholders of 2000's Lifestage Fund - A

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### Our opinion

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of 2000's Lifestage Fund - A (the Fund) as at 30 June 2022 and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the Trust Deed as described in note 2(a) in the financial statements.

#### *What we have audited*

The financial report comprises:

- the balance sheet as at 30 June 2022
  - the statement of comprehensive income for the year then ended
  - the statement of changes in equity for the year then ended
  - the statement of cash flows for the year then ended
  - the notes to the financial statements, which include significant accounting policies and other explanatory information
  - the Statement by Trustee.
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### 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 Fund in accordance with 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.

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### Emphasis of matter - basis of accounting and restriction on use

We draw attention to note 2(a) in the financial report, which describes the basis of accounting. The financial report has been prepared in accordance with Australian Accounting Standards and the Trust Deed. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for 2000's Lifestage Fund - A and its unitholders and should not be used by parties other than 2000's Lifestage Fund - A and its unitholders. Our opinion is not modified in respect of this matter.

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### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2022, 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.

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.

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### Responsibilities of the directors for the financial report

The directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the Trust Deed as described in Note 2(a) in the financial statements, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that 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 have no realistic alternative but to do so.

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### 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.

PricewaterhouseCoopers

Darren Ross  
Partner

Sydney  
21 September 2022