# AnalyTICa Property Plus Fund

ARSN 139 774 646

## ANNUAL REPORT 2022

For year ending 30 June 2022

AnalyTICa Property Plus Fund

**RESPONSIBLE ENTITY**
CIP Licensing Limited
ACN 603 558 658
AFSL No. 471 728

HLB Mann Judd
Accountants | Business and Financial Advisers

**AUDITOR**
HLB Mann Judd

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## OPERATIONAL REVIEW FOR YEAR ENDED 30 JUNE 2022

The AnalyTICa Property Plus Fund ("ATPF" / "The Fund") was established as the Capricorn Diversified Investment Fund (“CDIF”) twelve years ago with the aim of generating sound income returns with limited volatility. As of 30 June 2022, net assets were $10.8 million, a decline of 10.4 per cent over the previous financial year. This decline includes a provision of $1.077 million for a distribution to unitholders - If excluded, the decline is 1.5%.

The year to 30 June 2022 has been one of significant change, including the sale of the investments in Federation Villages and Suncorp House for total cash proceeds of $11.2 million. Current assets held by the Fund include cash, units in a number of property trusts, units in the NB Global Corporate Income Trust, solar arrays and a portfolio of small-cap shares.

The Fund has declared a distribution of 7.0 cents per unit which was paid in late September 2022. Since March 2012, distributions have totalled 35.0 cents per unit (approximately $3.9 million) , of which 17 distributions have been tax exempt and the remainder a mixture of capital and income. Capital distributions have the impact of reducing the unit price, making them tax-free.

The Fund holds units in a number of wholesale property trusts managed by Haben. The Haben Number 10 Trust is a wholesale fund established to purchase the Caloundra Shopping Centre and adjacent residential block on the Sunshine Coast, QLD. In addition to distributions, the capital value has increased by 19 per cent since the units were acquired. Haben – Croyden Central is a food and services-based neighbourhood shopping centre located 28km east of the Melbourne CBD. Its unit price has increased by 31 per cent since acquisition. The value of units in the Haben Wollongong Trust and more broadly spread Haben property trust have increased by 4 and 5 per cent respectively. Each fund has also been paying regular distributions. The total value of assets invested through Haben is currently approximately $1.6 million.

Since 30 June the Fund has been accumulating units in the NB Global Corporate Income Trust with an amount of $1.4 million invested to date. This trust invests in corporate fixed interest securities that are traded, typically on overseas markets. Since early 2022 fixed interest markets have been under significant pressure and bond-related assets have not been in favour. One consequence of this is that investors have been indiscriminately selling bond rich funds regardless of the value of the underlying assets. We believe this represents a significant opportunity to accumulate such assets at discounted prices.

Elanor Healthcare Real Estate Fund (EHREF) is a wholesale fund invested in healthcare real estate assets across Australia. In addition to distributions, this small investment has increased in value by 18 per cent since it was purchased.

CDIF Solar Pty Ltd is a wholly-owned subsidiary of the Fund, which finances and manages commercial solar installations. Currently CDIF Solar has 50kw installed on the Tropical Pines Packing Shed near Yeppoon, 55kw on Suncorp House, and a further 60kw has been installed across Maine Caravan Park and on another commercial building in Rockhampton. These installations operate profitably, however, they represent a small component of the Fund and have proved time-consuming to source and manage. Opportunities for divestment are being explored.

Analytica X-100 Opportunities Fund is a sub-fund of Analytica Property Plus with a specific mandate to invest in small-cap shares. Currently the portfolio comprises 12 investments totalling about $1.2 million. While returns have been affected by volatile markets the fund has significantly outperformed the small ordinaries accumulation index benchmark.

Cash on hand within the Fund and its controlled entities at 30 June 2022 totalled approximately $8.8 million, of which approximately $1.077 million was paid as a distribution to unit holders in September 2022. In addtion, cash has also been invested into the NB Global Corporate Income Trust and the small-cap share portfolio.

Financial year 2021/22 saw Analytica entering into a new phase of asset management with a focus on a range of smaller investments. The initial results of this approach have been very pleasing.

David French

Managing Director, CIP Licensing Limited

28 October 2022

# DIRECTORS' REPORT

The Directors of CIP Licensing Limited ("CIPLL"), the Responsible Entity for the Analytica Property Plus Fund, ("the Fund" / "APPF") submit the following statutory report for the Fund for the financial year ended 30 June 2022. CIPLL is an unlisted public company incorporated under the *Corporations Act 2001* , and holds an Australian Financial Services Licence.

In order to comply with the provisions of the *Corporations Act 2001* , the Directors report as follows.

**1 : Directors**

The names of the Directors of the Responsible Entity who held office at any time during the year and up to the date of this report are as follows.

David Mackay French

Owen Glendower Evans

Lance Patrick Livermore

Christopher John Heyworth

**2 : Principal Activities**

The principal activities of the Fund during the year were those of a managed investment scheme.

**3 : Operating and Financial Review**

The result of the operations (including unrealised gains and losses) of the Fund during the year was a total comprehensive loss of $34,585 (2021 - profit of $923,753).

**4 : Investment Strategy**

The investment strategy of the Fund is to;

- only invest in financial assets, which may include companies or other unit trusts that invest in asset classes such as equities (Australian and international), property, and fixed interest.
- be a 'long-only' Fund, comprising a portfolio of ASX listed investments and complementary unlisted investments; and
- where appropriate, take positions in unlisted infrastructure and property related entities.

The weightings for each asset class will be determined by the Fund's investment committee.

**5 : Distributions**

During the 2022 year, one distribution of 7 cents per unit was declared, which was paid in September 2022.

**6 : Significant Changes in the State of Affairs**

Duirng the year, the Fund's subsidary, CB Grand Pty Ltd, sold Suncorp House for gross proceeds of $4.7 million. In addition, the Fund sold its entire investment in Eighth Gate for $6.34 million as part of a takeover offer from Ingenia. Cash proceeds were used to repay all outstanding National Australia Bank debt, settle redemption requests, and invest in the Analystica x-100 fund and some unlisted property trusts.

**7 : Significant Events After Balance Date**

There has not arisen in the interval between the end of the reporting year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Responsible Entity, to significantly affect the operations of the Fund, the results of those operations or the state of affairs of the Fund in future financial years.

**8 : Likely Developments**

The Fund will seek to identify new investment opportunities. The aim is to provide steady long-term returns to unitholders in accordance with the Product Disclosure Statement.

**9 : COVID-19 Impacts**

There were no material COVID impacts on the Fund during the 2021/22 year. Rental income received by CB Grand was not adversely affected. Eighth Gate management reported that COVID had resulted in slower home sales and some greater expenses, however, this impact was not material to APPF's income.

## DIRECTORS' REPORT (continued)

### 10 : Indemnification of Directors and Officers

During the financial year, the Responsible Entity paid a premium in respect of a contract insuring the Directors of the Responsible Entity (as named above) against a liability incurred as such a director, secretary, or executive officer to the extent permitted by the *Corporations Act 2001* .  The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Responsible Entity has not otherwise, during or since the end of the financial year, except the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Responsible Entity or any related body corporate against a liability incurred as such an officer or auditor.

### 11 : Environmental Regulation

The Fund’s operations are not subject to any particular and significant environmental regulation under a law of the Commonwealth or of a State or Territory.

### 12 : Proceedings on behalf of the Fund

There were no proceedings either by the Fund or against the Fund during the year, or at the date of this report.

### 13 : Options Granted

No options have been issued in respect of, or over, units in the Fund.

### 14 : Scheme information to be included in the Directors' Report

The Responsible Entity received $192,794 (2021 - $183,385) in management fees from the Fund during the financial year.

The Responsible Entity and the Directors of the Responsible Entity held the following interests in the Fund at the end of the financial year.

| Beneficial owner | Units | Proportionate holding |
|---|---|---|
| David French | 209,762 | 1.4% |
| Owen Evans | 295,993 | 1.9% |
| Lance Livermore | 11,848 | 0.1% |
| Christopher Heyworth | 101,094 | 0.7% |

### 15 : Auditor Independence

A copy of the auditor’s independence declaration as required under section 307C of the *Corporations Act 2001*  is attached.

Signed on behalf of the Directors of the Responsible Entity, CIP Licensing Limited.

David French

Director, CIP Licensing Limited

28 October 2022

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of Analytica Property Plus Fund for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(b) any applicable code of professional conduct in relation to the audit.

Adrian

**A B Narayanan**
**Partner**

Brisbane, Queensland
28 October 2022

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## Statement of Profit or Loss and Other Comprehensive Income
## for the Year Ended 30 June 2022

| | Note | 2022<br>$ | 2021<br>$ |
|---|---|---|---|
| **Revenue from continuing operations** | | | |
| Dividends received | | 656,000 | - |
| Gains on sale of investments | | 758,628 | - |
| Trust distributions received | | 156,630 | 231,097 |
| Fair value movement | | - | 890,638 |
| Other income | | 2,500 | 19,140 |
| Interest income | | - | 13 |
| Total revenue | | **1,573,758** | **1,140,888** |
| **Expenses from continuing operations** | | | |
| Scheme administration fees | | 192,794 | 183,385 |
| Fair value movement | | 994,486 | - |
| Loans written off | | 378,917 | - |
| Interest | | 34,552 | 30,335 |
| Other expenses | | 7,594 | 3,415 |
| Total expenses from continuing operations | | **1,608,343** | **217,135** |
| Operating Profit / (Loss) before tax | | **(34,585)** | **923,753** |
| Income tax expense / (benefit) | 3 | - | - |
| Profit / (Loss) for the year | | **(34,585)** | **923,753** |
| **Other comprehensive income** | | | |
| Unrealised gain / (loss) arising on revaluation of available for sale assets | | - | - |
| Total other comprehensive income for the period (net of tax) | | **-** | **-** |
| Total comprehensive income for the period | | **(34,585)** | **923,753** |

The accompanying notes form part of these financial statements

# Statement of Financial Position
# as at 30 June 2022

| | Note | 2022 $ | 2021 $ |
|---|---|---|---|
| **Current Assets** | | | |
| Cash and cash equivalents | 10 | 3,432,326 | 130,323 |
| Trade and other receivables | 4 | 14,591 | 139,793 |
| **Total Current Assets** | | **3,446,917** | **270,117** |
| **Non Current Assets** | | | |
| Financial assets | 5 | 8,394,716 | 13,236,122 |
| Loans to related parties | 6 | 152,002 | 530,919 |
| **Total Non Current Assets** | | **8,546,718** | **13,767,041** |
| **Total Assets** | | **11,993,635** | **14,037,158** |
| **Current Liabilities** | | | |
| Trade and other payables | 7 | 1,199,022 | 115,033 |
| Loans from related parties | 6 | - | 748,000 |
| Borrowings | 8 | - | 607,500 |
| **Total Current Liabilities** | | **1,199,022** | **1,470,533** |
| **Non Current Liabilities** | | | |
| Borrowings | 8 | - | 511,875 |
| **Total Non Current Liabilities** | | - | **511,875** |
| **Total Liabilities** | | **1,199,022** | **1,982,408** |
| **Net Assets** | | **10,794,613** | **12,054,750** |
| **Net Assets Attributable to Unitholders** | | | |
| Units issued | 9 | 11,930,299 | 12,078,537 |
| Retained losses | | (1,135,686) | (23,787) |
| **Total Net Assets Attributable to Unitholders** | | **10,794,613** | **12,054,750** |

## Statement of Changes in Net Assets Attributable to Unitholders for the Year Ended 30 June 2022

| | Units issued | Reserves | Undistributed Income | Total Equity |
|---|---|---|---|---|
| | $ | | $ | $ |
| **Balance at 1 July 2020** | 12,418,132 | - | (947,540) | 11,470,593 |
| Profit for the year | - | - | 923,753 | 923,753 |
| Applications for units | 316,621 | - | - | 316,621 |
| Redemption of units | (500,809) | - | - | (500,809) |
| Payment of distributions | (155,408) | - | - | (155,408) |
| **Balance at 30 June 2021** | **12,078,537** | **-** | **(23,787)** | **12,054,750** |
| **Balance at 1 July 2021** | **12,078,537** | **-** | **(23,787)** | **12,054,750** |
| Profit for the year | - | - | (34,585) | (34,585) |
| Applications for units | 448,000 | - | - | 448,000 |
| Redemption of units | (596,238) | - | - | (596,238) |
| Payment of distributions | - | - | (1,077,314) | (1,077,314) |
| **Balance at 30 June 2022** | **11,930,299** | **-** | **(1,135,686)** | **10,794,613** |

# Statement of Cash Flows
# for the Year Ended 30 June 2022

| | Note | 2022<br>$ | 2021<br>$ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Interest received | | 3 | 13 |
| Dividends and trust distributions received | | 941,746 | 192,837 |
| Payments to suppliers and employees | | (202,064) | (189,039) |
| Interest paid | | (34,552) | (28,064) |
| **Net cash (outflows) from operating activities** | 10 | **705,133** | **(24,253)** |
| **Cash flows from investing activities** | | | |
| Payments for purchase of financial assets | | (1,739,000) | (1,100,000) |
| Proceeds from sale of financial assets | | 6,344,548 | 1,234,122 |
| **Net cash inflows from investing activities** | | **4,605,548** | **134,122** |
| **Cash flows from financing activities** | | | |
| Proceeds from issue of units | | 448,000 | 316,621 |
| Payments for redemption of units | | (589,304) | (721,172) |
| Payments of distributions | | - | (155,407) |
| Repayment of loans from related entities | | - | 95,000 |
| Repayment of loans to related entities | | (1,028,000) | - |
| Loans from related entities | | 280,000 | 165,000 |
| Proceeds of borrowings - bank | | 350,000 | 500,000 |
| Repayment of borrowings - bank | | (1,469,375) | (527,500) |
| **Net cash inflows / (outflows) from financing activities** | | **(2,008,679)** | **(327,458)** |
| Net increase/(decrease) in cash and cash equivalents | | 3,302,003 | (217,589) |
| Cash and cash equivalents at the beginning of the financial year | | 130,323 | 347,913 |
| **Cash and cash equivalents at the end of the financial year** | 10 | **3,432,326** | **130,323** |

# Notes to the Financial Statements
# for the Year Ended 30 June 2022

## 1. Corporate Information

The Analytica Property Plus Fund ("Fund") is domiciled in Australia.  The Responsible Entity, CIP Licensing Limited ("CIPLL"), is an unlisted public company limited by shares incorporated and domiciled in Australia.  The ultimate parent entity of CIPLL is CIPL (Holding) Limited, an Australian unlisted public company.
The principal place of business and registered office of the Responsible Entity is Suite 1B, Suncorp House, 103 Bolsover Street, Rockhampton, Queensland.

The objective of the Fund is to construct and maintain a portfolio that meets the requirements of;

- matching identified Fund risk profile to portfolio risk;
- balancing income and growth requirements;
- achieving generally accepted financial standards for diversity with respect to modern portfolio theory (related to risk); and
- lowering the overall cost of management for investors.

These financial statements were authorised for issue by the directors of the Responsible Entity on 28 October 2022

## 2. Statement of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below.

The financial statements relate to the entity consisting solely of Analytica Property Plus Fund.

***Basis of Preparation***

This general purpose financial report has been prepared in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001.*

The financial statements have been prepared on an accruals basis and are based on historical costs, apart from financial assets and investment properties which have been measured at fair value.

The Fund is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The Fund has determined that it is an Investment Entity under Australian Accounting Standard AASB 10.  Under this standard, an entity is an Investment Entity if (a) it obtains funds from one or more investors for the purpose of providing those investors with investment management services; (b) it commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and (c) it measures and evaluates the performance of substantially all its investments on a fair value basis.  As the Fund meets all these criteria, it is an Investment Entity.

The effect of this determination is that controlled entities of the Fund, such as subsidiary companies, are not consolidated with the Fund itself. Instead, investments in controlled entities are recorded at fair value on the Fund's statement of financial position.

*Compliance with IFRS's*

This financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

***New or Amended Accounting Standards and Interpretations adopted***

The Fund has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.   Any new or amended Accounting Standards that are not yet mandatory have not been early adopted.

# Notes to the Financial Statements
# for the Year Ended 30 June 2022

**2. Statement of Significant Accounting Policies (continued)**

***Financial instruments***

AASB 9 requires that entities classify financial instruments as one of the following - (a) amortised cost (b) fair value through other comprehensive income (c) fair value through profit and loss. The classification is made on the basis of (i) the entity's business model for managing financial assets and (ii) the contractual cash flow characteristics of the financial asset.

The Fund has elected to classify all financial instruments represented by investments in, or loans to, other entities as "fair value through profit and loss". Consequently, all movements in fair value will appear on the profit and loss statement, with no amounts be recognised in other comprehensive income or reserves.

Financial assets and liabilities comprising cash and cash equivalents, distributions receivable, and borrowings are held at amortised cost under AASB 9.

AASB 9 requires that entities classify financial instruments as one of the following - (a) amortised cost (b) fair value through other comprehensive income (c) fair value through profit and loss. The classification is made on the basis of (i) the entity's business model for managing financial assets and (ii) the contractual cash flow characteristics of the financial asset.

The Fund has elected to classify all financial instruments represented by investments in, or loans to, other entities as "fair value through profit and loss". Consequently, all movements in fair value will appear on the profit and loss statement, with no amounts be recognised in other comprehensive income or reserves.

*Recognition of Financial Instruments*

All financial assets and liabilities are recognised on the statement of financial position when, and only when, the Fund becomes party to the contractual provisions of the instrument.

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

*Classification and subsequent measurement*

*Financial assets*

Financial assets are subsequently measured at either amortised cost or fair value through profit and loss.

Measurement is on the basis of two primary criteria (a) the contractual cashflows of the financial asset and (b) the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost (a) the financial asset is managed solely to collect contractual cashflows and (b) the contractual terms within the financial asset give rise to cashflows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Fund initially designates a financial instrument as measured at fair value through profit or loss if;

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy, and information about the groupings was documented appropriately, so that the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis;
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

*Financial liabilities*

Financial liabilities arising from bank borrowings are measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Financial liabilities arising from borrowings from controlled entities are measured at fair value through the profit or loss, as they do not have defined repayment schedules.

The reclassification of financial liabilities is not permitted under the Accounting Standards.

*Derecognition of Financial Instruments*

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

*Derecognition of financial liabilities*

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

# Notes to the Financial Statements
# for the Year Ended 30 June 2022

**2. Statement of Significant Accounting Policies (continued)**

*Derecognition of financial assets*

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all

All of the following criteria need to be satisfied for derecognition of financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Fund no longer controls the asset (ie the Fund has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

*Loans and receivables*

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Where such loans and receivables are held with the objective of collecting contractual cash flows and the contractual terms of the loan or receivable contain specified dates for the payment of principal and interest, they are measured at amortised cost using the effective interest method, less any impairment. Loans that do not meet this criteria are classified as fair value through profit and loss.

*Impairment of financial assets*

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cashflows of that investment have been affected.

For certain categories of financial assets, such as receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis.

The Fund recognises a loss allowance for expected credit losses on financial assets measured at amortised cost.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Where the trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the profit or loss.

Loss allowance is not recognised for financial assets measured at fair value through profit or loss.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Fund uses the simplified approach to impairment, as applicable under AASB 9: *Financial Instruments* :

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to trade receivables or contract assets that result from transactions within the scope of AASB 15 Revenue from Contracts with Customers and which do not contact a significant financing component.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (ie diversity of customer base, appropriate groupings of historical loss experience, etc).

No additional credit losses were recognised upon application of AASB 9.

***Fair value estimation***

The fair value of instruments that are not traded in active markets is determined using valuation techniques. The Fund may use a variety of methods and makes assumptions that are based on market conditions existing at balance date. Techniques may include reference to the actual price paid in recent sale transactions or quoted redemption prices, or through formal external valuation.

***Cash and cash equivalents***

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, 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.

# Notes to the Financial Statements
# for the Year Ended 30 June 2022

**2. Statement of Significant Accounting Policies (continued)**

***Receivables***

Receivables include outstanding settlements and accrued interest and dividend revenue.

Receivables are recognised and carried at original contract / invoice amount less any allowance for impairment.

Other receivables are normally due within 30 days of recognition.

***Payables***

Liabilities for trade creditors and other amounts are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Fund.

***Financial liabilities and Equity Instruments Issued***

*Classification of debt or equity*

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

*Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of the Fund after deducting all of its liabilities. Equity instruments issued by the Fund are recognised at the proceeds received, net of direct issue costs.

Unitholder Funds are classified as equity and disclosed as such in the statement of financial position. Unitholders may only redeem their units at the discretion of the directors of the Responsible Entity.

Transaction costs (net of tax) arising on the issue of ordinary units are recognised in equity as a reduction of the unitholder proceeds received.

***Revenue recognition***

Revenue is measured at the fair value of the consideration received or receivable. Major items of revenue are recognised as follows:

*Interest income*

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

*Dividend and trust distribution income*

Dividends and trust distributions are recognised when the Fund's right to receive the payment is established. This applies even if they are paid out of pre-acquisition profits.

***Taxes***

*Income tax*

The Fund is not subject to income tax provided that all taxable income is distributed to unitholders. All taxable income will be distributed to unitholders, who will pay income tax at their applicable tax rate. Tax losses cannot be distributed to unitholders and will remain within the Fund to offset future taxable income. Consequently, tax effect accounting cannot be applied by the Fund.

*Goods and services tax (GST)*

The Fund's revenue from the sale of marketable securities and receipt of dividends and interest are “financial supplies” for GST purposes and are not subject to GST. The Fund's expenses are classified as being incurred in relation to the making of a financial supply and accordingly input tax credits on expenditure cannot be claimed. The Fund is entitled to claim reduced input tax credits of 75% of the GST paid on qualifying expenditures set out in Regulation 70-5 of the GST Regulations.

Expenses and assets are recognised net of the amount of GST recoverable from the taxation authority. That part of the GST incurred on a purchase of goods and services, which is not recoverable from the taxation authority is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from or payable to the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

***Comparatives***

Where required by Accounting Standards comparative figures are adjusted to conform to changes in presentation for the current financial year. Details of any such changes are included in the financial report.

# Notes to the Financial Statements
# for the Year Ended 30 June 2022

**2. Statement of Significant Accounting Policies (continued)**

***Finance costs***

Interest expense is brought to account as incurred.

***Current and non-current classification of financial assets***

Financial assets are classified as current if it is the intention of the Fund to realise them within the next 12 months. All other financial assets are classified as non-current.

***Significant accounting judgements, estimates and assumptions***

***(i) Significant accounting judgements***

In the process of applying the Fund's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

*Measurement of financial assets at fair value through profit and loss*

The Fund follows the AASB 9 requirements in classifying financial assets. This classification requires significant judgment as to whether the financial assets are (a) held within a business model whose objective is to hold financial assets in order to collect contractual cashflows and (b) whether the contractual terms of the assets give rise to specified dates for cashflows that are solely payments of principal and interest. Only if neither of these conditions are satisfied can the asset be measured through either comprehensive income or amortised cost.

Management's assessment is that the Fund's equity investments and loans to other entities do not meet these criteria and consequently must be classified as measured at fair value through profit and loss. That is, all unrealised gains and losses will be credited or charged to the profit and loss, as applicable.

***(ii) Significant accounting estimates and assumptions***

Other financial assets held as available for sale are generally measured at fair value based on recently observed market prices. There is a significant risk that their carrying amount may change materially within the next annual reporting period, however, the changes generally do not arise from management assumptions or other estimates on uncertainty at reporting date, but rather from movement in market values.

Where there is no active market for a financial asset, fair value and net realisable value have been determined by valuation techniques, such as reference to the actual price paid in recent sale transactions or quoted redemption prices, or through formal external valuation.

# Notes to the Financial Statements
# for the Year Ended 30 June 2022

### 3. Income Tax

The Fund's net income is not subject to income tax, provided that it pays out all of its net taxable income to its unitholders. During the 2022 financial year, the Fund incurred a tax loss (due to non-assessable trust distributions received).

| | 2022<br>$ | 2021<br>$ |
|---|---|---|
| **4. Trade and Other Receivables** | | |
| Trust distribution receivable | 4,871 | 131,237 |
| GST receivable | 8,830 | 7,666 |
| Other | 890 | 890 |
| | **14,591** | **139,793** |

There were no impaired receivables, nor receivables past due not impaired, at 30 June 2022 (2021 : $nil). Refer Note 11 for information on risk exposure. The trust distributions receivable were fully received by xxx 2022.

### 5. Financial assets

| | | |
|---|---|---|
| **Non-current** | | |
| **Financial assets** | | |
| Unlisted investments | 8,394,716 | 13,236,122 |
| Total non-current investments | **8,394,716** | **13,236,122** |
| Total financial assets | **8,394,716** | **13,236,122** |
| ***Movements in investments were as follows*** | | |
| **Unlisted investments** | | |
| Opening balance | 13,236,122 | 12,479,606 |
| Purchases | 1,739,000 | 1,100,000 |
| Sales / capital returns | (5,585,920) | (1,234,122) |
| Unrealised gains / (losses) | (994,486) | 890,638 |
| Closing balance | **8,394,716** | **13,236,122** |

Refer to Note 12 for further disclosure on risk exposure, fair value measurements, and classifications as they pertain to the assets listed above. ASX-listed and other traded securities are valued at their closing bid price at year end.

Unlisted investments comprise the following assets;

| | 2022<br>$ | 2021<br>$ |
|---|---|---|
| CB Grand Pty Ltd - ordinary shares | 5,411,368 | 6,534,525 |
| Eighth Gate Residences Fund No.6 - stapled securities | - | 5,585,920 |
| Analytica X-100 Opportunities Fund | 1,210,129 | 763,723 |
| Haben Property Fund Trust No.10 | 297,500 | 250,000 |
| Haben Property Investment Fund | 520,000 | - |
| Haben Wollongong Property Fund | 525,000 | - |
| Haben Property Fund (Retail No.5) | 276,000 | - |
| Elanor Healthcare RE Fund | 152,765 | 100,000 |
| Other | 1,955 | 1,955 |
| **Total** | **8,394,716** | **13,236,122** |

All unlisted investments have been classified as non-current, as the Fund does not intend to liquidate them within the next 12 months.

The investment in Eighth Gate was sold during the year.

The principal asset of CB Grand at 30 June 2021 was the "Suncorp House" building located at 103 Bolsover Street, Rockhampton, Queensland. This building was sold in June 2022.

# Notes to the Financial Statements
# for the Year Ended 30 June 2022

| | 2022<br>$ | 2021<br>$ |
|---|---|---|
| **6. Loans to related parties** | | |
| Development Services Pty Ltd | - | 30,000 |
| Regional Aircraft Leasing No.1 Pty Ltd | - | 348,917 |
| CDIF Solar Pty Ltd | 152,002 | 152,002 |
| | **152,002** | **530,919** |
| **Loans from related parties** | | |
| CB Grand Pty Ltd | - | 748,000 |
| | **-** | **748,000** |

As the loans to related parties do not have fixed repayment terms nor accrue interest, they are measured at fair value through profit and loss.

Development Services Pty Ltd, CDIF Solar Pty Ltd, Regional Aircraft Leasing No.1 Pty Ltd, and CB Grand Pty Ltd are all controlled entities (100% owned) of the Fund. However, as the Fund is designated as an Investment Entity under AASB 10, none of the entities are consolidated with the Fund.

**7. Trade and other payables**

| | 2022 | 2021 |
|---|---|---|
| Unit redemption payable | 106,967 | 100,033 |
| Income distribution payable | 1,077,314 | - |
| Accounts payable | 14,741 | - |
| Accrued expenses | - | 15,000 |
| Total trade and other payables | **1,199,022** | **115,033** |

**8. Borrowings**

| | 2022 | 2021 |
|---|---|---|
| **Current** | | |
| National Australia Bank (Loan 1) | - | 157,500 |
| National Australia Bank (Loan 2) | - | 450,000 |
| | **-** | **607,500** |
| **Non-current** | | |
| National Australia Bank (Loan 1) | - | 511,875 |
| | **-** | **511,875** |

During the 2022 year, all National Australia Bank loan facilities were repaid in full.

**9. Issued units**

As at 30 June 2022, there were 15,358,459 ordinary fully paid units on issue (2021 : 15,409,091)

| *Unit movements were as follows:* | **No. of Units** | **$** |
|---|---|---|
| **Balance at 1 July 2021** | 15,658,831 | 12,418,132 |
| Applications for units | 424,904 | 316,621 |
| Redemption of units | (674,644) | (500,809) |
| Returns of capital | - | (155,408) |
| **Balance at 30 June 2021** | **15,409,091** | **12,078,537** |
| Applications for units | 573,743 | 448,000 |
| Redemption of units | (624,375) | (596,238) |
| **Balance at 30 June 2022** | **15,358,459** | **11,930,299** |

Units allow unitholders to receive distributions from the Fund in proportion to their unitholding. Units are only redeemable at the discretion of the Responsible Entity.

# Notes to the Financial Statements
# for the Year Ended 30 June 2022

## 10. Cash and Cash Equivalents

| | 2022 | 2021 |
|---|---|---|
| | $ | $ |
| **(a) Reconciliation of cash and cash equivalents** | | |
| Cash and cash equivalents comprise: | | |
| Cash at financial institutions | 3,432,326 | 130,323 |
| | **3,432,326** | **130,323** |

**(b) Reconciliation of profit / (loss) after income tax to net cash outflow from operating activities**

| | 2022 | 2021 |
|---|---|---|
| Profit (loss) for the year after tax | (34,585) | 923,753 |
| Fair value movement in investments | 994,486 | (890,638) |
| Gain on sale of investments | (758,628) | - |
| Loans written off | 378,917 | - |
| (Increase) / decrease in receivables | 125,202 | (57,383) |
| Increase / (decrease) in payables and accruals | (259) | 15 |
| Net cash inflows / (outflows) from operating activities | **705,133** | **(24,253)** |

## 11. Financial Instruments Disclosure

(a) Capital risk management

The assets of the Fund chiefly comprise cash and unlisted securities. Via its investments in the Haben and Elanor property trusts, the Fund also holds interests in commercial property. These assets have been financed via the issue of units. There are no borrowings.

The Responsible Entity aims to ensure that there is sufficient capital for possible redemptions by unitholders by maintaining a minimum of 5% of its total assets in cash and cash equivalents. Also, redemptions are only permitted at the discretion of the Responsible Entity.

The Fund has no restrictions or specific capital requirements on the application and redemption of units. The Fund's overall investment strategy is detailed in the Directors' report.

| | 2022 | 2021 |
|---|---|---|
| **Financial assets** | | |
| Cash at bank | 3,432,326 | 130,323 |
| Financial assets held at fair value through profit and loss | 8,394,716 | 13,236,122 |
| Distributions receivable | 4,871 | 131,237 |
| Loans to related parties held at fair value through profit and loss | 152,002 | 530,919 |
| | 11,983,915 | 14,028,602 |
| **Financial liabilities** | | |
| Borrowings | - | 1,119,375 |
| Income distribution payable | 1,077,314 | - |
| Unit redemption payable | 106,967 | 100,033 |
| | 1,184,281 | 1,219,408 |

# Notes to the Financial Statements
# for the Year Ended 30 June 2022

## 11. Financial Instruments Disclosure (continued)

The Fund's activities expose it to financial risks. These risks can be broadly classified into market risk, credit risk, and liquidity risk. Market risk itself is further comprised of price risk, interest rate risk, and currency risk. The Fund’s overall risk management programme focuses on minimising potential adverse effects arising from all these risks on the financial performance of the Fund. Risk management techniques include holding a range of different investments in the portfolio, conducting reviews of existing investments, keeping borrowings to a prudent level and maintaining spare borrowing capacity, and investing only in Australian dollar denominated assets.

The Fund outsources the investment management process to the Responsible Entity, CIP Licensing Limited ("CIPLL"). CIPLL provides services to the Fund, co-ordinates access to financial markets and the local property market, and manages the financial risks relating to the operations of the Fund in accordance with an investment mandate.

Details of these risks, and the effects they have on the profit and loss and equity position of the Fund under different scenarios, are detailed under the relevant headings below.

### (a) Market risk

#### (i) Price risk

Price risk, in the form of equity securities price risk, primarily affects financial assets of the Fund.

The Fund is exposed to fluctuations in the unit price of its investments. These fluctuations are driven by the performance of the underlying Fund or company, but are also impacted the economy generally and the performance of equity markets.

The Fund manages these risks through regular monitoring of each investment and its overall financial position. As the Fund's exposure to other price risk is not material at the end of the reporting period, no sensitivity analysis on the effect of such risk has been provided.

#### (ii) Interest rate risk

The Fund's exposure to interest rate risk, which is the risk that a financial instrument’s value will fluctuate as a result of a change in market interest rates, is minimal in respect of the Fund's assets due to the nature and composition of the assets held. Accordingly, no risk management transactions are entered into. In relation to assets, the only effect of interest rate movements would be to affect the amount of interest revenue derived by the Fund on its cash deposits.

As the Fund has no borrowings, its direct exposure to increases in interest rates is minimal. However, increases in the general level of interest rates may negatively affect the calue of indirect property investments through changes in discount rates used to value the underlying properties.

The interest rate earned on cash at bank is variable.

The sensitivity analysis below has been calculated based on the Fund's exposure to interest rates at the reporting date and the assumed change taking place at the beginning of the financial year and held constant throughout the reporting period for cash deposits that have floating interest rates.

The effect on the Fund's profit and equity of interest rates increasing or decreasing by 50 basis points is set out below. Such a possible variation over a year is considered reasonable by the Fund.

| | Interest rate risk | | | |
|---|---|---|---|---|
| **2022** | **Increase 0.5%** | | **Decrease (0.5%)** | |
| | **Operating Profit** | **Equity** | **Operating Profit** | **Equity** |
| | **$** | **$** | **$** | **$** |
| Increase / (decrease) | 17,162 | 17,162 | (17,162) | (17,162) |
| Totals | **17,162** | **17,162** | **(17,162)** | **(17,162)** |

# Notes to the Financial Statements
# for the Year Ended 30 June 2022

### 11. Financial Instruments Disclosure (continued)

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

| 2021 | Increase 0.5% | | Decrease (0.5%) | |
|---|---|---|---|---|
| | Operating Profit $ | Equity $ | Operating Profit $ | Equity $ |
| Increase / (decrease) | (4,945) | (4,945) | 4,945 | 4,945 |
| Totals | **(4,945)** | **(4,945)** | **4,945** | **4,945** |

#### (iii) Currency risk

The Fund holds only Australian denominated assets, and hence has no currency exposure risk.

### (b) Credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

The maximum exposure to credit risk on financial assets which have been recognised on the balance sheet is the carrying amount. The Fund is not materially exposed to any significant individual credit risk arising from receivables. None of these receivables are secured.

The Fund has adopted a policy of only dealing with creditworthy counter parties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Credit risk of financial instruments not past due or individually determined as impaired;

| | Not past due or impaired 2022 | Not past due or impaired 2021 |
|---|---|---|
| Cash at bank | 3,432,326 | 130,323 |
| Trust distributions receivable | 4,871 | 131,237 |
| | **3,437,197** | **261,561** |

The trust distributions receivable were fully paid by the end of July, 2022.

### (c) Liquidity risk

As disclosed in the Fund's Product Disclosure Statement, unitholders are not able to redeem their units in the Fund, except at the discretion of the directors of the Responsible Entity. Liquidity risk for the Fund is therefore assessed as very low. During the 2022 and prior years, some units were redeemed following investor requests. Further requests may or may not be granted.

The Fund's investments include unlisted securities, together with a property holding. The unlisted securities and the property holding are not traded in a market and may prove difficult to sell at their fair value within a short timeframe.

Owing to the Fund's high level of cash holdings, it currently has no borrowing facilities.

# Notes to the Financial Statements
# for the Year Ended 30 June 2022

### 11. Financial Instruments Disclosure (continued)

The Fund's financial liabilities comprise borrowings, payables, and distributions due to unitholders.

| | Weighted Average Interest Rate pa | Total due in less than 12 months | Total due in 12 months to 2 years | Total due in 2 to 5 years | Total due after 5 years | Indefinite |
|---|---|---|---|---|---|---|
| **2022** | | $ | $ | $ | $ | $ |
| **Financial liabilities** | | | | | | |
| Trade creditors | - | 14,741 | - | - | - | - |
| Unit redemption payable | - | 106,967 | | | | |
| Income distribution payable | - | 1,077,314 | | | | |
| Total | | **1,199,022** | **-** | **-** | - | - |
| | | | | | | |
| **2021** | | | | | | |
| **Financial liabilities** | | | | | | |
| Trade creditors | - | - | - | - | - | - |
| Unit redemption payable | | 100,033 | | | | |
| Borrowings - National Australia Bank ("NAB") | 3.47% | 642,565 | 172,581 | 357,301 | - | - |
| Total | | **742,598** | **172,581** | **357,301** | **-** | **-** |

**(d) Other market risks**

Through its investments in unlisted propety trusts, the Fund may be exposed to any downturn in this market. Through its investment in the Analytica x-100 Opportuities Fund, the Fund may be exposed to any general stock market correction.

**(e) Net fair values**

The fair value of financial assets must be estimated for recognition and measurement or for disclosure purposes. The carrying amounts of trade receivables and payables are assumed to approximate their fair value due to their short term nature.

The Fund has adopted the amendment to AASB 7 Financial Instruments : Disclosures which requires disclosure of fair value measurements by level of the following fair value measurement hierarchy :

(a) quoted price (unadjusted) in active markets for identical assets or liabilities (level 1)

(b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3)

# Notes to the Financial Statements
# for the Year Ended 30 June 2022

### 11. Financial Instruments Disclosure (continued)

The following table presents the Fund's assets measured and recognised at fair value.

**Fund - as at 30 June 2022**

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Assets** | | | | |
| Financial assets held at fair value through profit and loss | 1,210,129 | - | 7,336,589 | 8,546,718 |
| Total assets | **1,210,129** | - | 7,336,589 | 8,546,718 |

**Fund - as at 30 June 2021**

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Assets** | | | | |
| Financial assets held at fair value through profit and loss | 763,723 | - | 13,003,318 | 13,767,041 |
| Total assets | 763,723 | - | 13,003,318 | 13,767,041 |

The fair value of financial instruments that are not traded in an active market (for example, unlisted securities) is determined using valuation techniques. These instruments are included in Level 3. Level 3 financial assets consist of shares in CB Grand Pty Ltd ("CB Grand"), units in the Haben and Elanor unlisted property funds, and a loan to a subsidiary (CDIF Solar Pty Ltd).

The following table presents the change in level 3 instruments.

**Fund**

| | 2022 | 2021 |
|---|---|---|
| Opening balance | 13,003,318 | 13,105,525 |
| Sales / capital returns | (5,585,920) | (1,234,122) |
| Loans made to / (repaid from) related parties | - | (95,000) |
| Loans to related parties written off | (378,917) | - |
| New investments | 1,239,000 | 350,000 |
| Revaluations / (Decreases) in fair value | (940,892) | 876,915 |
| Closing balance | **7,336,589** | **13,003,318** |

**Valuation of investment in CB Grand Pty Ltd**

The shares held by the Fund in CB Grand comprise a material investment of the Fund. Consequently, further details on the basis of the calculation of the value of these shares and the relevant underlying assumptions are provided below.

As CB Grand is 100% owned by the Fund, the fair value of its investment in CB Grand is determined by reference to the value of the net assets of CB Grand. Movements in the value of these underlying assets will directly affect the value of the Fund's investment.

As at 30 June 2022, the net assets of CB Grand were $5.411 million. This figure comprised cash of $5,402,989, and sundry other net assets of around $8,400.

# Notes to the Financial Statements
# for the Year Ended 30 June 2022

### 11. Financial Instruments Disclosure (continued)

**Valuation of investment in the Analytica x100 Opportunities Fund**

While this fund is not listed, its portfolio is comprised entirely of ASX-listed shares and cash.  The fund is therefore valued by reference to the ASX quoted prices of these shares plus the cash at bank.

### 12. Auditor's Remuneration

| | 2022<br>$ | 2021<br>$ |
|---|---|---|
| Remuneration of HLB Mann Judd, the auditor of the Fund: | - | - |
| Other services - tax and accounting * | - | - |
| | **-** | **-** |

* - In 2022 and 2021, the audit fees were paid by CIP Licensing Limited and not on-charged to the Fund.

### 13. Events Subsequent to Balance Date

There has not arisen in the interval between the end of the reporting year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Responsible Entity, to significantly affect the operations of the Fund, the results of those operations or the state of affairs of the Fund in future financial years.

### 14. Contingent Liabilities

There were no contingent liabilities existing at year end (2021 - nil).

### 15. Commitments

There were no commitments at 30 June 2022 (2021 - nil).

### 16. Controlled Entities

| Entity name | Country of incorporation | Percentage owned | |
|---|---|---|---|
| | | **2022** | **2021** |
| CB Grand Pty Ltd | Australia | 100% | 100% |
| Development Services Pty Ltd | Australia | 100% | 100% |
| Regional Aircraft Leasing No.1 Pty Ltd | Australia | 100% | 100% |
| Analytica x100 Opportunities Fund | Australia | 100% | N/A |
| CDIF Solar Pty Ltd | Australia | 100% | 100% |

Although the Fund has no legal ownership of the shares in Development Services Pty Ltd, it is considered a controlled entity of the Fund.  This is because; (i) David French is a director the Fund's Responsible Entity and is also the sole shareholder (as trustee on behalf of the Fund) of Development Services Pty Ltd, and, (ii) The purpose of Development Services Pty Ltd was to hold the liquor licence of the former Grand Hotel which could be used by a new restaurant or bar should one be established in the available space.   With the sale of Suncorp House, this entity now serves no purpose and will be liquidated in the coming financial year.

None of the controlled entities are consolidated with the Fund, as the Fund is classified as an Investment Entity under AASB 10.

### 17. Fund details

The Responsible Entity of the Fund is CIP Licensing Limited ACN 603 558 658, which has its registered office at Suite 1B, 103 Bolsover Street, Rockhampton QLD 4700.

# Notes to the Financial Statements
# for the Year Ended 30 June 2022

### 18. Related Party Disclosures

#### (a) Units held by Directors of the Responsible Entity

The number of units in the Fund held during the year by each Director in office during the year, including the directors' personally related entities, is set out below.

**2022**

| Name | Balance at the beginning of the year | Purchased | Sold / redeemed | Balance at end of the year |
|---|---|---|---|---|
| David French | 209,762 | - | - | 209,762 |
| Owen Evans | 295,993 | - | - | 295,993 |
| Lance Livermore | 11,848 | - | - | 11,848 |
| Chris Heyworth | 101,094 | - | - | 101,094 |

**2021**

| Name | Balance at the beginning of the year | Purchased | Sold / redeemed | Balance at end of the year |
|---|---|---|---|---|
| David French | 209,762 | - | - | 209,762 |
| Owen Evans | 295,993 | - | - | 295,993 |
| Lance Livermore | 11,848 | - | - | 11,848 |
| Chris Heyworth | 101,094 | - | - | 101,094 |

#### (b) Transactions with related entities

The related entities of the Fund comprised CIP Licensing Limited, Capricorn Investment Partners Pty Ltd, CB Grand Pty Ltd, APPF Solar Pty Ltd, CIPL (Holding) Limited, Regional Aircraft Leasing Pty Ltd, the Analytica x100 Opportunities Fund, and Development Services Pty Ltd.  The transactions with these parties are set out below.

| | 2022<br>$ | 2021<br>$ |
|---|---|---|
| Management services fee paid to CIP Licensing Limited | 192,794 | 183,385 |
| Amounts owed to CB Grand Pty Ltd at year end | - | 748,000 |
| Dividend received from CB Grand Pty Ltd | 640,000 | - |
| Repayment of  loan to CB Grand Pty Ltd (net) | 748,000 | - |
| Dividend received from CDIF Solar Pty Ltd | 16,000 | - |
| Writeoff of loan owed by Regional Aircraft Leasing No.1 Pty Ltd | 348,917 | - |
| Amounts owed by Regional Aircraft Leasing No.1 Pty Ltd | - | 348,917 |
| Writeoff of loan owing from Development Services Pty Ltd | 30,000 | - |
| Amount owing from Development Services Pty Ltd at year end | - | 30,000 |
| Amounts owed by CDIF Solar Pty Ltd at year end | 152,002 | 152,002 |

CB Grand Pty Ltd, Development Services Pty Ltd, Regional Aircraft Leasing No.1 Pty Ltd, the x100 Opportunities Fund, and CDIF Solar Pty Ltd are all fully owned subsidiaries of the Fund.

### 19. COVID-19 impacts

There were no material COVID impacts on the Fund during the 2021/22 year.  Rental income received by CB Grand was not adversely affected.  Eighth Gate management reported that COVID had resulted in slower home sales and some greater expenses, however, this impact was not material to APPF's income.

**Directors' Declaration**

The Directors of the Responsible Entity declare that;

1. The financial statements and notes, as set out in pages 6 to 24, are in accordance with the Corporations Act 2001 and;
   a) Comply with Australian Accounting Standards, which as stated in accounting policy Note 2, comply with International Financial Reporting Standards ("IFRS") and;
   b) give a true and fair view of the Scheme's financial position at 30 June 2022 and of its performance for the year ended on that date.

2. In the Directors' opinion, there are reasonable grounds to believe that the Scheme will be able to pay its debts as and when they fall due.

This declaration is made in accordance with a resolution of the Board of Directors of the Responsible Entity.

David French, Director, CIP Licensing Limited
28 October 2022

**Independent Auditor's Report to the Unitholders of Analytica Property Plus Fund**

**REPORT ON THE AUDIT OF THE FINANCIAL REPORT**

**Opinion**

We have audited the financial report of Analytica Property Plus Fund ("the Fund") which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in net assets attributable to unitholders and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration of the Responsible Entity.

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

a) giving a true and fair view of the Fund's financial position as at 30 June 2022 and of its financial performance for the year then ended; and

b) 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 *Corporation Act 2001,* which has been given to the directors of the Responsible Entity.

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

**Information Other than the Financial Report and Auditor's Report Thereon**

The directors of the Responsible Entity of the Fund 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, 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 of the Responsible Entity of the Fund 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 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 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 Responsible Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Responsible Entity.
- 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.

We also provide the directors of the Responsible Entity with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

HLB Mann Judd

**HLB Mann Judd**
**Chartered Accountants**

Adrian

**A B Narayanan**
**Partner**

Brisbane, Queensland
28 October 2022