

MPG Essential Services Property Trust

Financial Report 30 June 2024



Responsible Entity
MPG Funds Management Ltd
ACN 102 843 809
ARSN 160 633 205

MPG

funds
management

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Front cover image: Centrelink - Hervey Bay, Qld



Directors' report

The directors present their report, together with the financial statements, on the Registered Scheme for the year ended 30 June 2024.

Principal activities

The Registered Scheme is domiciled in Australia and was formally established on 16 October 2012.

The principal activity of the Registered Scheme is to invest funds in accordance with its investment objectives and guidelines as set out in the product disclosure statement ("Product Disclosure Statement") and in accordance with the provisions of the constitution ("Constitution") and compliance plan ("Compliance Plan") of the Registered Scheme.

The Constitution authorises investments by the Responsible Entity in property and rights at its absolute discretion. The Registered Scheme had no employees during the year.

Distributions

Distributions for units held for the full financial year were paid and declared at a rate of 7.05 cents per unit (30 June 2023: 7.05).

Review of operations

The loss for the Registered Scheme amounted to \$215,887 (30 June 2023: profit of \$7,280,917). The net assets per unit at 30 June 2024 were \$1.01 (2023: \$ 1.10).

The key highlights for the year include:

- Distributions paid at a rate 7.05 cents per unit pro-rata.
- Acquired two investment properties.
- Investment properties were revalued downwards by \$4.838 million.
- Net assets per unit decreased from \$1.10 to \$1.01
- The Registered Scheme complied with all banking covenant requirements.

The Registered Scheme continues to pursue its strategy of securing assets with strong lease covenants to tenants in growth areas. The Registered Scheme will continue to look for opportunities in the market that meet its investment criteria.

Significant changes in the state of affairs

- The purchase of two investment properties were settled during the reporting period: 4 Hawthorn Street, Dubbo and 15 - 19 Service Street, Sunshine VIC 3020
- The bank borrowing facility increased to \$116.89 million
- 4,162,896 Ordinary Units were issued at a price of \$1.08 each, 957,735 Ordinary Units were issued at a price of \$1.06 each, 144,000 Ordinary Units were issued at a price of \$1.05 each.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Registered Scheme's operations, the results of those operations, or the Registered Scheme's state of affairs in future financial years.

Likely developments and expected results of operations

The Registered Scheme will continue to be managed in accordance with the provisions of the Constitution, Compliance Plan and Product Disclosure Statement. Future results will accordingly depend on the performance of the markets to which the Registered Scheme is exposed.

Environmental regulation

The Registered Scheme complied with all environmental regulations during the course of the financial year.

Directors' report cont.



Mr Trevor R Gorman

Title: Chairman,
Director (Property)

Qualifications:
FCA

Experience & expertise: Over 50 years
accounting, taxation & property experience



Mr Michiel E Paulsen

Title: Non-Executive
Director (Funds
Management)

Qualifications: Chartered Institute of
Secretaries & Administrators

Experience & expertise: Over 50 years
financial services industry experience

Special responsibilities: Chairman of
Compliance Committee



Mr Brett A Gorman

Title: Company
Secretary/Director
(Finance, Administration
and Funds Management)

Qualifications:
CA, FFin, B.Com, Grad Dip App Fin & Invest

Experience & expertise: Over 30 years
accounting, taxation & corporate finance
experience

Indemnity and insurance of officers

During the financial year, the Responsible Entity paid a premium in respect of a contract to insure the directors and executives of the Registered Scheme against a liability 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 financial year, indemnified or agreed to indemnify an officer of the Responsible Entity or of any related body corporate against a liability incurred as such an officer.

Indemnity and insurance of auditor

The Registered Scheme has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Registered Scheme or any related entity against a liability incurred by the auditor.

During the financial year, the Registered Scheme has not paid a premium in respect of a contract to insure the auditor of the Registered Scheme or any related entity.

Proceedings on behalf of the Registered Scheme

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Registered Scheme, or to intervene in any proceedings to which the Registered Scheme is a party for the purpose of taking responsibility on behalf of the Registered Scheme for all or part of those proceedings.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

Deloitte Touche Tohmatsu continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

T R Gorman
Director

25 September 2024, Melbourne.



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Australia

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25 September 2024

The Board of Directors
MPG Funds Management Ltd
Level 3, 2 – 6 Railway Parade
Camberwell VIC 3124

Dear Board Members

Auditor's Independence Declaration to MPG Essential Services Property Trust

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the Directors of MPG Essential Services Property Trust.

As lead audit partner for the audit of the financial report of MPG Essential Services Property Trust for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully

DELOITTE TOUCHE TOHMATSU

Peter Saunders
Partner
Chartered Accountants

Independent Auditor's Report to the Unitholders of MPG Essential Services Property Trust

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of MPG Essential Services Property Trust (the "Registered Scheme") which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the Registered Scheme are in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Registered Scheme's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- 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 Registered Scheme in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Registered Scheme, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Registered Scheme's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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

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

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte organisation.



Responsibilities of the Directors for the Financial Report

The directors of the Registered Scheme are responsible:

- For the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Registered Scheme in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Registered Scheme, 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 Registered Scheme to continue as going concerns, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Registered Scheme or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism 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 Registered Scheme's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Registered Scheme'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 Registered Scheme to cease to continue as going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represent the underlying transactions and events in a manner that achieves fair presentation.

Deloitte.

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

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Peter Saunders

Peter Saunders

Partner

Chartered Accountants

Sydney, 25 September 2024

Directors' declaration

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Registered Scheme's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Registered Scheme will be able to pay its debts as and when they become due and payable.

- the Registered Scheme does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



T R Gorman
Director

25 September 2024, Melbourne.



Statement of profit or loss and other comprehensive income

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue			
Rental income		16,522,467	14,196,245
Distribution income		804,544	629,428
Interest income		177,095	221,851
Net fair value gain on investment properties		-	1,401,017
Net fair value gain on other financial assets		244,670	-
Net fair value gain on derivative financial instruments			242,814
Total revenue		17,748,776	16,691,355
Expenses			
Finance costs	4	(4,870,058)	(4,145,405)
Administration expense		(1,743,581)	(1,427,343)
Property outgoing		(3,057,569)	(2,449,526)
Net fair value loss on investment properties		(5,118,323)	-
Property acquisition costs		(1,133,937)	(593,691)
Net fair value loss on derivative financial instruments		(2,041,195)	-
Net fair value loss on other financial assets		-	(794,473)
Total expenses		(17,964,663)	(9,410,438)
(Loss)/Profit for the year		(215,887)	7,280,917
Other comprehensive income for the year		-	-
Total comprehensive (loss)/income for the year		(215,887)	7,280,917

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Statement of financial position

As at 30 June 2024

	Note	2024 \$	2023 \$
Assets			
Current assets			
Cash and cash equivalents		2,968,220	8,167,445
Trade and other receivables		548,871	264,663
Total current assets		3,517,091	8,432,108
Non-current assets			
Derivative financial instruments	5	2,176,691	4,217,886
Other financial assets	6	14,927,957	14,643,562
Investment properties	7	215,170,000	201,250,000
Other	8	2,393,677	1,223,129
Total non-current assets		234,668,325	221,334,577
Total assets		238,185,416	229,766,685
Liabilities			
Current liabilities			
Trade and other payables	9	2,922,158	2,859,198
Other	10	1,480,759	1,304,318
Total current liabilities		4,402,917	4,163,516
Non-current liabilities			
Borrowings	11	111,411,777	100,394,255
Total non-current liabilities		111,411,777	100,394,255
Total liabilities		115,814,694	104,557,771
Net assets		122,370,722	125,208,914
Equity			
Issued capital	12	116,707,045	111,207,828
Retained profits	13	5,663,677	14,001,086
Total equity		122,370,722	125,208,914

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

Statement of changes in equity

For the year ended 30 June 2024

	Issued capital \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2022	98,620,611	14,242,276	112,862,887
Profit for the year	-	7,280,917	7,280,917
Other comprehensive income for the year	-	-	7,280,917
Total comprehensive income for the year	-	7,280,917	7,280,917
Transactions with unitholders in their capacity as unitholders:			
Units Issued	12,018,665	-	12,018,665
Issue costs	(392,941)	-	(392,941)
Issuance Reserve	961,493	-	961,493
Distributions paid (note 14)	-	(7,522,107)	(7,522,107)
Balance at 30 June 2023	111,207,828	14,001,086	125,208,914

	Issued capital \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	111,207,828	14,001,086	125,208,914
Loss for the year	-	(215,887)	(215,887)
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	-	(215,887)	(215,887)
Transactions with unitholders in their capacity as unitholders:			
Units Issued	5,264,631	-	5,264,631
Issue costs	(163,110)	-	(163,110)
Issuance Reserve	397,696	-	397,696
Distributions paid (note 14)	-	(8,121,522)	(8,121,522)
Balance at 30 June 2024	116,707,045	5,663,677	122,370,722

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

Statement of cash flows

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Rental receipts (inclusive of GST)		16,906,349	15,491,254
Payments to suppliers (inclusive of GST)		(6,545,412)	(5,372,394)
Distributions received		798,378	619,786
Interest received		177,095	221,851
Interest and other finance costs paid		(4,671,793)	(3,952,048)
Net cash from operating activities	21	6,664,617	7,008,449
Cash flows from investing activities			
Payments for investment property		(19,242,813)	(16,003,196)
Payments for property acquisition costs		(1,133,937)	(593,691)
Payments for investments		(39,724)	(6,879,723)
Proceeds from disposal of investments		-	840,000
Net cash used in investing activities		(20,416,474)	(22,636,610)
Cash flows from financing activities			
Proceeds from issue of units		5,662,327	12,980,158
Unit issue transaction costs		41,380	(392,941)
Proceeds from bank borrowings		10,881,061	12,708,214
Distributions paid		(8,032,136)	(7,273,630)
Net cash from/(used in) financing activities		8,552,632	18,021,801
Net increase/(decrease) in cash and cash equivalents		(5,199,225)	2,393,640
Cash and cash equivalents at the beginning of the financial year		8,167,445	5,773,805
Cash and cash equivalents at the end of the financial year		2,968,220	8,167,445

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

Notes to the financial statements

Note 1. General information

The financial statements cover MPG Essential Services Property Trust (the "Registered Scheme") as an individual entity. The financial statements are presented in Australian dollars, which is the Registered Scheme's functional and presentation currency.

Registered office

Level 3
2-6 Railway Parade
Camberwell VIC 3124

Principal place of business

Level 3
2-6 Railway Parade
Camberwell VIC 3124

A description of the nature of the Registered Scheme's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 25 September 2024.

Note 2. Material accounting policy information

The accounting policies that are material to the Registered Scheme are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Amendments to Accounting Standards that are mandatorily effective for the current reporting period

The Registered Scheme has adopted all the new and revised Standards and Interpretations issued by the Australian

Accounting Standards Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2023.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Registered Scheme include:

AASB 101/108 Disclosure of accounting policies and definition of accounting estimates (AASB 2021-2, AASB 2021-5)

The Registered Scheme has adopted the amendments to AASB 101 for the first time in the current year. The amendments change the requirements in AASB 101 with regard to disclosure of accounting policies. The amendments replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The supporting paragraphs in AASB 101 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

New and revised Australian Accounting Standards on issue but not yet effective

At the date of authorisation of the financial statements, the Registered Scheme has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

Effective for annual reporting periods beginning or after 1 January, 2024:

- AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants
- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback
- AASB 2023-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements

Effective for annual reporting periods beginning or after 1 January, 2025:

- AASB 2023-5 Amendments to Australian Accounting Standards - Lack of Exchangeability
- AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (as amended)

Effective for annual reporting periods beginning or after 1 January, 2027:

- AASB 18 Presentation and Disclosure in Financial Statements [for for-profit entities]

Notes to the financial statements

Note 2. Material accounting policy information (continued)

At the date of these financial statements, the impact of the standards and Interpretations not yet effective listed above on the Registered Scheme has not been determined. The Directors are still assessing the likely impact of the adoption.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

As at 30 June 2024, the Registered Scheme had net current liabilities of \$885,826. The amount relates to the registered scheme's rental income, which is received in advance and classified as a liability (\$1,480,759). Based upon their cash flow forecasts, the Directors consider it appropriate for the Trust's financial statements to be prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations, the Corporations Act 2001 and comply with other requirements of the law. The financial statements comprise of standalone financial statements of the Registered Scheme. For the purposes of preparing the financial statements, the Registered

Scheme is a for-profit entity. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Basis of preparation

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Registered Scheme's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Revenue recognition

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts

through the expected life of the financial asset to the net carrying amount of the financial asset.

Rent

Rent revenue from investment properties is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

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.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

Notes to the financial statements

Note 2. Material accounting policy information (continued)

Derivatives are classified as current or non-current depending on the expected period of realisation.

Investment properties

Investment properties principally comprise of freehold land and buildings held for long-term rental and capital appreciation that are not occupied by the Registered Scheme. Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured annually at fair value. Movements in fair value are recognised directly to profit or loss.

Investment properties are derecognised when disposed of or when there is no future economic benefit expected.

Issued capital

The Registered Scheme issues units which have a limited life under the Registered Scheme's constitution are classified as equity in accordance with AASB 9: Financial Instruments.

Should the terms or conditions of the units change such that they no longer comply with the criteria for classification as equity, the units would be reclassified to a financial liability in accordance with AASB 9: Financial Instruments from the date the instrument ceases to meet the criteria. The financial liability would be

measured at the instrument's fair value at the date of reclassification. Any difference between the carrying amount of the equity instrument and the fair value of the liability at the date of reclassification would be recognised in equity.

Where the Registered Scheme buys back any of its units from unitholders, the consideration paid, including any directly attributable incremental costs are recognised as a reduction in equity attributable to the Registered Scheme's unitholders.

Incremental costs directly attributable to the issue of new units or options are shown in equity as a deduction from the proceeds.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Registered Scheme for the annual reporting period ended 30 June 2024. The Registered Scheme has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 3. Critical accounting judgements, estimates and assumptions

Fair value measurement hierarchy

The Registered Scheme is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Notes to the financial statements

Note 4. Finance costs

	2024 \$	2023 \$
Interest expense - bank loans	4,500,815	3,812,842
Interest expense - related party loans	41,422	-
Amortisation of borrowing costs	327,821	332,563
	<u>4,870,058</u>	<u>4,145,405</u>

Please refer to note 19 for additional details.

Note 5. Non-current assets - derivative financial instruments

	2024 \$	2023 \$
Interest rate swap contracts	2,176,691	4,217,886

Refer to note 16 for further information on fair value measurement.

Note 6. Non-current assets - other financial assets

	2024 \$	2023 \$
Investments in unlisted securities (related property trusts)	14,927,957	14,643,562

Reconciliation

Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below:

	2024 \$	2023 \$
Opening carrying amount	14,643,562	9,398,312
Additions	39,725	6,879,723
Disposals	-	(840,000)
Revaluation gains/ (losses)	244,670	(794,473)
Closing carrying amount	<u>14,927,957</u>	<u>14,643,562</u>

Unlisted securities in the MPG Retail Brands Property Trust are not traded in active markets. This trust is a related party. Units are measured at fair value and determined by reference to the underlying properties and other net assets of the Trust. In assessing the fair value of investments held in the Trust managed by the Responsible Entity, the unit price is determined by the entity's net assets. This policy has been reviewed in the context of the current economic climate and the directors believe this to be the best estimate of fair value at balance date. These assets are considered as fair value Level 3 assets.

Notes to the financial statements

Note 7. Non-current assets - investment properties

	2024 \$	2023 \$
Investment Properties	215,170,000	201,250,000

Reconciliation

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

	2024 \$	2023 \$
Opening fair value	201,250,000	182,090,000
Additions	20,172,260	18,352,674
Revaluation (decrements)/increments	(5,118,323)	1,401,017
Property acquisition costs written-off	(1,133,937)	(593,691)
Closing fair value	215,170,000	201,250,000

Valuations of investment properties

The basis of the valuation of investment properties is fair value. The carrying value of investment properties is reviewed annually by directors. Investment property valuations are also assessed at least once every three years by independent valuers who are members of the Australian Property Institute and have recent experience in the location and category of investment property being valued. Valuations are based on current prices in an active market for similar properties of the same location and condition, subject to similar leases and takes into consideration occupancy rates and returns on investment. Investment properties have been classified as Level 3 in the fair value hierarchy.

a) Key sources of estimation uncertainty

Estimates of fair value of investment property

The best evidence of fair value is current prices in an active market for similar investment properties. Where such information is not available, the Directors determine the property's value within a range of reasonable fair value estimates. In making its judgement, the Directors consider information from a variety of sources including:

- (i) current prices in an active market for properties of different nature, condition or location (or subject to different leases or other contracts), adjusted to reflect those differences;
- (ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices;

(iii) capitalised income projections based upon a property's estimated net market income, which is assumed to be a level annuity in perpetuity, and a capitalisation rate derived from analysis of market evidence. Reversions associated with short term leasing risks/costs, incentives and capital expenditure may be deducted from the capitalised net income figure.

Assumptions underlying the Directors' estimate of fair value of investment property

In determining the fair value, the capitalisation of net market income method has been used. This approach requires assumptions and judgements to be made in relation to the future receipt of contractual rentals, expected future market rentals, void periods, maintenance

Notes to the financial statements

Note 7. Non-current assets - investment properties (continued)

requirements, property capitalisation rate or estimated yield and make reference to market evidence of transaction prices for similar properties. If such prices are not available, then the fair value of

investment properties is determined using assumptions that are mainly based on market conditions existing at each balance date.

These valuations are regularly compared to market yield data, and transactions reported by the market.

The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

A summary of the most recent valuations of investment properties is shown below:

Property	Purchase Date	Director's valuation date	Director's valuation	Independent valuation date	Independent valuation
Pall Mall, Bendigo	22/03/2018	30/06/2024	7,700,000	18/06/2024	7,700,000
Heygarth St, Echuca	22/03/2018	30/06/2024	3,800,000	10/02/2021	4,100,000
Bailey St, Grovedale	26/06/2018	30/06/2024	8,350,000	06/06/2024	8,350,000
Robert St, Wallsend	25/07/2018	30/06/2024	6,400,000	23/03/2021	6,500,000
Seymour St, Traralgon	17/12/2018	30/06/2024	14,860,000	10/09/2021	12,750,000
Lennox St, Maryborough	04/02/2019	30/06/2024	4,350,000	13/06/2024	4,350,000
Hunter St, Pialba	26/06/2019	30/06/2024	4,750,000	13/06/2024	4,750,000
Herries St, Toowoomba	31/07/2019	30/06/2024	7,350,000	16/05/2022	6,500,000
Chapel St, Morwell	14/10/2019	30/06/2024	8,100,000	22/11/2022	7,800,000
Beardy St, Armidale	10/12/2019	30/06/2024	19,500,000	22/11/2022	18,500,000
Station Rd, Logan Central	09/04/2020	30/06/2024	18,680,000	15/11/2022	18,500,000
Auburn St, Moree	12/05/2020	30/06/2024	5,720,000	22/11/2022	6,100,000
Brisbane St, Ipswich	02/06/2020	30/06/2024	10,350,000	16/05/2022	10,000,000
George St, Beenleigh	05/02/2021	30/06/2024	6,700,000	26/04/2024	6,700,000
Sturt St, Townsville	31/05/2021	30/06/2024	24,000,000	15/03/2021	26,000,000
Bridge St, Bendigo	09/07/2021	30/06/2024	7,100,000	18/06/2024	7,100,000
Tamar St, Ballina	17/09/2021	30/06/2024	6,700,000	31/08/2021	6,700,000
Grand Blvd, Seaford Meadows	21/12/2021	30/06/2024	2,550,000	16/09/2021	2,510,000
Wade St, Tarneit	18/02/2022	30/06/2024	7,820,000	01/12/2021	7,020,000
McCourt Rd, Yarrawonga	31/03/2021	30/06/2024	6,500,000	20/01/2022	6,500,000
Wyndham Street, Shepparton	08/12/2022	30/06/2024	15,150,000	24/11/2022	17,500,000
Service Street, Sunshine	19/10/2023	30/06/2024	14,660,000	19/10/2023	14,300,000
Hawthorn Street, Dubbo	29/05/2024	30/06/2024	4,080,000	30/05/2024	4,080,000
			215,170,000		214,310,000

Capitalisation rates for the above independent valuations range from 5.25% - 8.50%.

Notes to the financial statements

Note 7. Non-current assets - investment properties (continued)

Lessor commitments

Minimum lease commitments receivable but not recognised in the financial statements:

	2024 \$	2023 \$
1 year or less	10,263,000	9,170,000
Between 1 and 2 years	7,547,000	8,698,000
Between 2 and 3 years	6,443,000	5,766,000
Between 3 and 4 years	5,393,000	5,110,000
Between 4 and 5 years	5,024,000	4,801,000
Over 5 years	16,731,000	11,630,000
	<u>51,401,000</u>	<u>45,175,000</u>

Note 8. Non-current assets - other

	2024 \$	2023 \$
Straight-line rental asset	2,393,677	1,223,129

Note 9. Current liabilities - trade and other payables

	2024 \$	2023 \$
Trade payables	558,539	649,899
Application funds received	82,855	79,725
Interest payable	223,515	161,711
Distributions payable	2,057,249	1,967,863
	<u>2,922,158</u>	<u>2,859,198</u>

Refer to note 15 for further information on financial instruments.

Note 10. Current liabilities - other

	2024 \$	2023 \$
Rental income received in advance	1,480,759	1,304,318

Note 11. Non-current liabilities - borrowings

	2024 \$	2023 \$
Bank loans	112,207,061	101,326,000
Unamortised borrowing costs	(795,284)	(931,745)
	<u>111,411,777</u>	<u>100,394,255</u>

Refer to note 15 for further information on financial instruments.

The bank loan is secured by first mortgages over the Registered Scheme's land and buildings.

The term of bank loan facility ends in May 2026. The Registered Scheme complied with all terms and conditions of the facility during the reporting period.

Notes to the financial statements

Note 11. Non-current liabilities - borrowings (continued)

Financing arrangements

The following lines of credit were available at the reporting date:

	2024 \$	2023 \$
Total facilities - Bank loans	116,890,125	90,821,500
Used at the reporting date - Bank loans	112,207,061	101,326,000
Unused at the reporting date - Bank loans	4,683,064	-

Note 12. Equity - issued capital

	2024 Units	2023 Units	2024 \$	2023 \$
Ordinary Units	119,410,901	113,748,574	119,410,901	113,748,574
Issue Costs	-	-	(2,703,856)	(2,540,746)
	119,410,901	113,748,574	116,707,045	111,207,828

Units are considered equity as they are not redeemable at the request of unitholders, and distributions are not fixed.

The Registered Scheme has established a formal process to allow unitholders to exit their investment which is made available at seven year intervals. The next opportunity for unitholders to exit under this process will be made available during the quarter ended 30 June 2025.

At the absolute discretion of the Responsible Entity and subject to liquidity, the Responsible Entity may also offer a limited withdrawal facility prior to this date.

Capital risk management

The Registered Scheme's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for unitholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Registered Scheme may adjust the amount of distributions paid to

unitholders, return capital to unitholders, issue new units or sell assets to reduce debt.

The Registered Scheme is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged.

Notes to the financial statements

Note 13. Equity - retained profits

	2024 \$	2023 \$
Retained profits at the beginning of the financial year	14,001,086	14,242,276
(Loss)/Profit for the year	(215,887)	7,280,917
Distributions (note 14)	(8,121,522)	(7,522,107)
Retained profits at the end of the financial year	5,663,677	14,001,086

Note 13. Equity - retained profits

	2024 \$	2023 \$
Retained profits at the beginning of the financial year	14,001,086	14,242,276
(Loss)/Profit for the year	(215,887)	7,280,917
Distributions (note 14)	(8,121,522)	(7,522,107)
Retained profits at the end of the financial year	5,663,677	14,001,086

Note 14. Equity - distributions

Distributions paid/payable during the financial year were as follows:

	2024 \$	2023 \$
Distribution for the period ended 30 September 2023 of 1.7625 cents per unit	1,989,898	1,794,830
Distribution for the period ended 30 December 2023 of 1.7625 cents per unit	2,018,042	1,832,982
Distribution for the period ended 31 March 2024 of 1.7625 cents per unit	2,044,334	1,917,691
Distribution for the period ended 30 June 2024 of 1.7625 cents per unit	2,069,248	1,976,604
	8,121,522	7,522,107

Note 15. Financial instruments

Financial risk management objectives

The Registered Scheme's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Registered Scheme's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Registered Scheme. The Registered Scheme uses derivative financial instruments to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The Registered Scheme 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 other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Registered Scheme and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Registered Scheme's operating units. Finance reports to the Board on a monthly basis.

Market risk

Interest rate risk

The Registered Scheme's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Registered Scheme to interest rate risk. Borrowings obtained at fixed rates expose the Registered Scheme to fair value interest rate risk. The policy is to maintain 50%-100% of current borrowings at fixed rates using interest rate swaps to achieve this when necessary.

Notes to the financial statements

Note 15. Financial instruments (continued)

As at the reporting date, the Registered Scheme had the following variable rate borrowings outstanding:

	2024		2023	
	Weighted average interest rate %	Balance \$	Weighted average interest rate %	Balance \$
Bank loans - unhedged portion	6.25%	17,875	6.13%	6,326,000
Net exposure to cash flow interest rate risk	-	17,875	-	6,326,000

An analysis by remaining contractual maturities is shown in 'liquidity and interest rate risk management' below.

For the Registered Scheme the bank loans outstanding, totalling \$112,207,061 (2023: \$101,326,000), are interest only payment loans. Monthly cash outlays

of approximately \$591,000 (2023: \$518,000) per month are required to service the interest payments. An official adjustment in interest rates by 100 basis points (2023: 100 basis points) would not have an adverse or favourable impact on profit before tax, as all borrowings are fully hedged. The percentage change

is based on the expected volatility of interest rates using market data and analysts forecasts. In addition, minimum principal repayments of \$112,207,061 (2023: \$101,326,000) are due during the year ending 30 June 2026 (2023: 30 June 2026).

2024	Basis points increase		Basis points decrease	
	Basis points change	Effect on profit before tax	Basis points change	Effect on profit before tax
Bank loan - unhedged portion	100	-	100	-

2023	Basis points increase		Basis points decrease	
	Basis points change	Effect on profit before tax	Basis points change	Effect on profit before tax
Bank loan - unhedged portion	100	63,000	100	63,000

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Registered Scheme. The Registered Scheme has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Registered Scheme obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of financial position and notes to the financial statements. The Registered Scheme

obtains collateral or other security where appropriate. The Registered Scheme does not have any significant credit risk exposure to any single counterparty or counterparties having similar characteristics.

The Registered Scheme has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Registered Scheme based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The average credit period on rental income and outgoings is 30 days. No interest is charged on the trade receivables for the first 30 days from the date of the invoice.

Notes to the financial statements

Note 15. Financial instruments (continued)

Liquidity risk

Vigilant liquidity risk management requires the Registered Scheme to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Registered Scheme manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and

forecast cash flows and matching the maturity profiles of financial assets and liabilities.

As the Registered Scheme is a fixed term trust, unitholders are unable to withdraw their units until either a liquidity facility is provided as described in Note 12, the Scheme's fixed term ends or it is wound up.

Financing arrangements

Unused borrowing facilities at the reporting date:

Bank loans: 4,683,064

Remaining contractual maturities

The following tables detail the Registered Scheme's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

2024	Weighted average interest rate %	1 year or less \$	Between 1 - 2 years \$	Between 2 - 5 years \$	Remaining contractual maturities \$
Non-derivatives					
Non-interest bearing					
Trade and other payables	-	864,909	-	-	864,909
Distributions payable	-	2,057,249	-	-	2,057,249
Interest-bearing - variable					
Bank loans (including margin)	6.25%	7,097,000	7,097,000	118,712,644	132,906,644
Total non-derivatives		10,019,158	7,097,000	118,712,644	135,828,802

2023	Weighted average interest rate %	1 year or less \$	Between 1 - 2 years \$	Between 2 - 5 years \$	Remaining contractual maturities \$
Non-derivatives					
Non-interest bearing					
Trade and other payables	-	891,335	-	-	891,335
Distribution payable	-	1,967,863	-	-	1,967,863
Interest-bearing - variable					
Bank loans (including margin)	6.13%	6,211,000	6,211,000	107,019,417	119,441,417
Total non-derivatives		9,070,198	6,211,000	107,019,417	122,300,615

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Notes to the financial statements

Note 16. Fair value measurement

Fair value hierarchy

The following tables detail the Registered Scheme's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

2024	Level 2 \$	Level 3 \$	Total \$
Assets			
Investment properties	-	215,170,000	215,170,000
Investments in unlisted securities (related trusts)	-	14,927,956	14,927,956
Derivative financial instruments (interest rate swap contract)	2,176,691		2,176,691
Total assets	2,176,691	230,097,956	232,274,647

2024	Level 2 \$	Level 3 \$	Total \$
Assets			
Investment properties	-	201,250,000	201,250,000
Investments in unlisted securities (related trusts)	-	14,643,562	14,643,562
Derivative financial instruments (interest rate swap contract)	4,217,886		4,217,886
Total assets	4,217,886	215,893,562	220,111,448

There were no transfers between levels during the financial year.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Valuation techniques for fair value measurements categorised within level 2 and level 3

The basis of the valuation of investment properties is fair value. The investment

properties are revalued annually by directors and at least once every three years by independent valuers. Independent assessments are performed by a member of the Australian Property Institute having recent experience in the location and category of investment property being valued. All valuations are based on current prices in an active market for similar properties of the same location and condition, subject to similar leases and takes into consideration occupancy rates and returns on investment.

Investments in unlisted securities (related trusts) are classified as financial assets held at fair value through profit or loss. The fair value has been determined as the net assets of the trust divided by the total units held.

Derivative financial instruments have been valued using quoted market rates. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

Notes to the financial statements

Note 17. Key management personnel disclosures

	2024 \$	2023 \$
Remuneration for the services provided	17,557	238,104

Remuneration of key management personnel has been allocated among the Fund Manager and related Trusts on the basis of equal services provided.

Note 18. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Deloitte Touche Tohmatsu, the auditor of the Registered Scheme:

	2024 \$	2023 \$
Audit services - Deloitte Touche Tohmatsu Audit or review of the financial statements	49,376	34,240
Other services - Deloitte Touche Tohmatsu Compliance plan audit	11,235	11,235
	60,611	45,475

Note 19. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 17.

Transactions with related parties

The following transactions occurred with related parties:

	2024 \$	2023 \$
Distributions received:		
MPG Retail Brands Property Trust	531,209	408,413
MPG Bulky Goods Retail Trust	49,858	15,440
MPG KM Trust	22,889	11,154
Payment for goods and services:		
Management fees paid to the Responsible Entity (i)	1,191,175	1,002,000
Administration fees paid to the Responsible Entity (ii)	40,332	14,452
Debt arrangement fees paid to the Responsible Entity (iii)	155,641	88,958
Establishment fees paid to the Responsible Entity (iv)	367,600	350,000
Administration fees paid to Boland Services Trust (v)	264,858	245,848
Management fees paid to MPG Property Unit Trust (v)	553,779	504,684
Payment for other expenses:		
Interest paid to the Responsible Entity	41,422	-

Notes to the financial statements

Note 19. Related party transactions (continued)

- (i) The Responsible Entity is entitled to an annual management fee of 0.80% as outlined in the Product Disclosure Statement and the Registered Scheme's Constitution which is considered to be on normal terms and conditions.
- (ii) These fees are payable as outlined in the Product Disclosure Statement and the Registered Scheme's Constitution and are considered to be on normal terms and conditions.
- (iii) The Responsible Entity is entitled to a debt arrangement fee of 1.00% on any new debt arranged and payable upon drawdown as outlined in the Product Disclosure Statement and the Registered Scheme's Constitution which is considered to be on normal terms and conditions.
- (iv) The Responsible Entity is entitled to an Establishment Fee of up to 5.00% of the initial purchase price of new assets as outlined in the Product Disclosure Statement and the Registered Scheme's Constitution. The actual Establishment Fee charged was 2.00%
- (v) Director-related entity of Brett Gorman. These are considered to be on normal terms and conditions.
- (vi) Fund Controlled by MPG Funds Management Ltd.

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2024 \$	2023 \$
Current receivables:		
Distributions receivable - MPG Retail Brands Property Trust (vi)	177,353	171,806
Distributions receivable - MPG Bulky Goods Retail Trust (vi)	15,604	15,224
Distributions receivable - MPG KM Trust (vi)	7,630	7,391

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date. The following balances show investments in related parties:

	2024 \$	2023 \$
Current receivables:		
MPG Retail Brands Property Trust (vi)	13,141,650	14,643,562
MPG Bulky Goods Retail Trust (vi)	1,221,716	-
MPG KM Trust (vi)	564,590	-

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Notes to the financial statements

Note 20. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Registered Scheme's operations, the results of those operations, or the Registered Scheme's state of affairs in future financial years.

Note 21. Reconciliation of (loss)/profit to net cash from operating activities

	2024 \$	2023 \$
(Loss)/Profit for the year	(215,887)	7,280,917
Adjustments for:		
Net fair value loss/(gain) on other financial assets	(244,670)	794,473
Net fair value loss/(gain) on investment properties	5,118,323	(1,401,017)
Net fair value loss/(gain) on derivative financial instruments	2,041,195	(242,814)
Amortisation of borrowing costs	327,821	332,563
Straight-line rent	(1,170,548)	(284,042)
Property acquisition costs	1,133,937	593,691
Change in operating assets and liabilities:		
Increase in trade and other receivables	(284,208)	(44,173)
Decrease in trade and other payables	(26,424)	(90,905)
Increase in other current liabilities	176,438	222,364
Increase in borrowing costs	(191,360)	(152,608)
Net cash from operating activities	6,664,617	7,008,449



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