

**GDA DIVERSIFIED  
PROPERTY TRUST**

**ARSN: 108 321 651**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
30 JUNE 2022**

**GDA DIVERSIFIED PROPERTY TRUST**  
**ARSN 108 321 651**

**DIRECTORS' REPORT**

The Directors of GDA Securities Ltd (ABN 58 105 612 600), the Responsible Entity of the GDA Diversified Property Trust ('the Trust'), present their report for the Trust for the year ended 30 June 2022. In order to comply with provisions of the Corporations Act 2001, the Directors' report as follows:

**Directors**

The Directors of the Responsible Entity who, unless otherwise stated, have been in office from the beginning of the year and until the date of this report are:

Mr John Fairlie  
Mr Jason Hutton (appointed 3 February 2022; resigned 16 May 2022)  
Mr Giovanni Di Monda  
Mr Malcolm Penglase (resigned 10 March 2022)  
Mrs Helen Cowhan  
Mr Rodney Parker  
Mr Bernard Smith  
Mr Alistair Lindsay

**Trust Information**

The Trust is an Australian Registered Scheme. GDA Securities Ltd, the Responsible Entity of the Trust, is incorporated and domiciled in Australia. The registered office of the Responsible Entity is located at Level 2, 94 Liverpool Street, Hobart, TAS 7000.

**Principal Activity**

The principal activity of the Trust during the year was the investment of Unit Holders' funds in accordance with the Trust Constitution. There has been no significant change in the nature of this activity during the year.

**Review of Results and Operations**

The results of the operations of the Trust are disclosed in the Statement of Profit or Loss and Other Comprehensive Income of the financial report. The Trust derived an operating profit for the year calculated in accordance with International Financial Reporting Standards ('IFRS') of \$7,163,618 (2021: \$4,402,257).

The increase in operating profit was primarily driven by the revaluation of all properties within the portfolio during the year which resulted in unrealised net gains of \$6,313,170 (2021: \$2,435,306).

**Distributions**

Distributions were paid for the full 2022 financial year. The net distributions for the Trust for the year ended 30 June 2022 were \$2,503,449 (2021: \$1,904,558) which equates to a distribution rate of 6.3257 cents per unit (2021: 6.1864 cents per unit).

Distributions will continue to be reviewed by the Board of Directors with the level of distributions to be determined by the Trust's ongoing performance.

**Significant Changes in the State of Affairs**

There have been no significant changes in the State of Affairs of the Trust during the financial year.

**Significant Events after the Balance Date**

There were no significant events after the Balance Date.

**Future Developments**

To the best of the directors knowledge, there are no other anticipated changes in the operations of the Trust which would have a material impact on the future results of the Trust. Property valuation changes, movements in the fair value of financial instruments and movements in interest rates may have a material impact on the Trust's results in future years. However, these cannot be reliably estimated at the date of this report.

Further information on likely developments in the operations of the Trust and the expected results of operations have not been included in this financial report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Trust.

**Environmental Regulations and Performance**

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

**GDA DIVERSIFIED PROPERTY TRUST**  
**ARSN 108 321 651**

**DIRECTORS' REPORT**  
**(Continued)**

**Relevant Information**

Following is a list of relevant information required under the Corporations Act 2001:

- The value of the Trust's assets as at the end of the financial year is disclosed in the Statement of Financial Position as "Total Assets" and the basis of valuation is included in Note 1.
- Fees paid to the Responsible Entity; refer to Note 6 to the Financial Statements.
- No Units were issued to the Responsible Entity during the current financial year; refer to Note 6 to the Financial Statements.
- The Responsible Entity does not hold any units in the Trust; refer to Note 6 to the Financial Statements.
- The number of units in the Trust as at 30 June 2022 and the number of units issued and withdrawn during the year; refer to Note 17 to the Financial Statements.

**Options Granted**

No options were:

- i. Granted over unissued units in the Trust during or since the end of the financial year; or
- ii. Granted to the Responsible Entity.

No unissued units in the Trust were under option as at the date on which this report is made.

No units were issued in the Trust during or since the end of the financial year as a result of the exercise of an option over unissued units in the Trust.

**Indemnification and Insurance of Directors, Officers and Auditors**

During the financial year, the Trust paid a premium in respect of a contract ensuring the directors, the company secretary and all executive officers of the Responsible Entity, 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 Trust has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Trust against a liability incurred as such an officer or auditor.

**Auditor's Independence Declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001, is set out on page 4 of this financial report.

Signed in accordance with a resolution of the Directors of GDA Securities Ltd made pursuant to s298(2) of the Corporations Act 2001:

On behalf of the Directors of the Responsible Entity, GDA Securities Ltd.



Helen Cowhan  
Director

Dated this 19<sup>th</sup> day of September 2022

**DECLARATION OF INDEPENDENCE BY DAVID E PALMER TO THE DIRECTORS OF THE RESPONSIBLE ENTITY OF GDA DIVERSIFIED PROPERTY TRUST**

As lead auditor of GDA Diversified Property Trust for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of GDA Diversified Property Trust.

**DAVID E PALMER**  
Partner



**BDO Audit (TAS)**

Hobart, 19<sup>th</sup> September 2022

**GDA DIVERSIFIED PROPERTY TRUST**  
**ARSN 108 321 651**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
<b>Revenue</b>			
Revenue from Property Rental	3	4,147,746	3,972,556
Property Expenses	4	<u>(250,915)</u>	<u>(162,181)</u>
Gross Profit on Property Income		3,896,831	3,810,375
<b>Other Revenue and Income</b>			
Gain/(Loss) on Revaluation of Investment Property		6,313,170	2,435,306
Distribution Income		108,315	-
Interest Income		1,816	944
		<u>6,423,301</u>	<u>2,436,250</u>
<b>Total Revenue and Other Income</b>		<b>10,320,132</b>	<b>6,246,625</b>
<b>Expenses</b>			
Management Fees		1,353,298	773,834
Direct Expenses	7	678,268	446,173
Loss/(Gain) on Revaluation of Investments		374,135	1,237
		<u>2,405,701</u>	<u>1,221,244</u>
<b>Finance Expenses</b>			
Interest Expense and Bank Charges		750,813	623,124
		<u>750,813</u>	<u>623,124</u>
<b>Total Expenses</b>		<b>3,156,514</b>	<b>1,844,368</b>
<b>Net Profit attributable to Unit Holders</b>		<u><b>7,163,618</b></u>	<u><b>4,402,257</b></u>
<b>Other Comprehensive Income</b>			
Other Comprehensive Income for the period		-	-
<b>Total Comprehensive Income for the Year</b>		<u><b>7,163,618</b></u>	<u><b>4,402,257</b></u>

The accompanying notes form part of these financial statements.

**GDA DIVERSIFIED PROPERTY TRUST**  
**ARSN 108 321 651**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2022**

	Note	2022 \$	2021 \$
<b>Current Assets</b>			
Cash and Cash Equivalents	19(a)	3,249,584	6,877,888
Receivables	9	251,239	493,419
Investments	11	1,876,561	1,002,789
Other Current Assets	10	86,094	49,210
<b>Total Current Assets</b>		<u>5,463,478</u>	<u>8,423,306</u>
<b>Non Current Assets</b>			
Investment Property	12	73,570,408	55,439,872
Other Non Current Assets		54,611	-
<b>Total Non Current Assets</b>		<u>73,625,019</u>	<u>55,439,872</u>
<b>Total Assets</b>		<b>79,088,497</b>	<b>63,863,178</b>
<b>Current Liabilities</b>			
Payables	13	929,904	552,627
Distributions Payable	14	660,787	523,422
Other Current Liabilities	15	89,270	415,746
<b>Total Current Liabilities</b>		<u>1,679,961</u>	<u>1,491,795</u>
<b>Non Current Liabilities</b>			
Interest Bearing Liabilities	16	26,966,618	26,705,201
<b>Total Non Current Liabilities</b>		<u>26,966,618</u>	<u>26,705,201</u>
<b>Total Liabilities</b>		<b>28,646,579</b>	<b>28,196,996</b>
<b>Net Assets</b>		<u><b>50,441,918</b></u>	<u><b>35,666,182</b></u>
<b>Equity</b>			
Units On Issue		42,787,003	32,671,436
Retained Earnings		7,654,915	2,994,746
<b>Total Equity</b>	17	<u><b>50,441,918</b></u>	<u><b>35,666,182</b></u>

The accompanying notes form part of these financial statements.

**GDA DIVERSIFIED PROPERTY TRUST**  
**ARSN 108 321 651**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	Unit Holders Capital \$	Retained Earnings (Accumulated Losses) \$	Total \$
Balance at 1 July 2020		26,539,861	497,047	27,036,908
Total Comprehensive Income for the Period			4,402,257	4,402,257
Transactions with Unit Holders in their capacity as Unit Holders				
Issue of Units		6,665,130	-	6,665,130
Redemption of Units		(533,555)	-	(533,555)
Payment of Distributions	8		(1,904,558)	(1,904,558)
<b>Balance at 30 June 2021</b>		<b>32,671,436</b>	<b>2,994,746</b>	<b>35,666,182</b>
Balance at 1 July 2021		32,671,436	2,994,746	35,666,182
Total Comprehensive Income for the Period			7,163,618	7,163,618
Transactions with Unit Holders in their capacity as Unit Holders				
Issue of Units		12,107,432	-	12,107,432
Redemption of Units		(1,991,865)	-	(1,991,865)
Payment of Distributions	8	-	(2,503,449)	(2,503,449)
<b>Balance at 30 June 2022</b>		<b>42,787,003</b>	<b>7,654,915</b>	<b>50,441,918</b>

The accompanying notes form part of these financial statements.

**GDA DIVERSIFIED PROPERTY TRUST**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
Rental Receipts		4,589,770	4,373,959
Payments to Suppliers		(2,247,248)	(1,634,870)
Interest Received		1,816	1,348
Interest and Other Costs of Finance Paid		(719,504)	(607,477)
Other Income Received		79,384	-
Net cash provided by/(used in) Operating Activities	19 (b)	1,704,218	2,132,960
<b>Cash flows from investing activities</b>			
Payment for Investments		(1,247,907)	(1,004,026)
Payment for Investment Properties		(11,856,864)	(1,864)
Receipt of Bond		26,352	-
Payment for Investment Property Improvements		(51,533)	(338,720)
Net cash (used in)/provided by Investing Activities		(13,129,952)	(1,344,610)
<b>Cash flows from financing activities</b>			
Receipts from Issue of Units		11,907,432	6,665,130
Receipts for new Units to be Issued		-	200,000
Payments for Redemption of Units		(1,991,865)	(533,555)
Proceeds from Borrowings		6,553,750	-
Repayment of Borrowings		(6,300,000)	-
Transaction Costs Paid		(5,803)	-
Distributions paid to ordinary Unit Holders		(2,366,084)	(1,780,692)
Net cash (used in)/provided by Financing Activities		7,797,430	4,550,883
Net (decrease)/increase in cash & cash equivalents		(3,628,304)	5,339,233
Cash & cash equivalents at the beginning of the financial year		6,877,888	1,538,655
Cash & cash equivalents at the end of the financial year	19 (a)	3,249,584	6,877,888

The accompanying notes form part of these financial statements.



**GDA DIVERSIFIED PROPERTY TRUST**  
**ARSN 108 321 651**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

**NOTE 1: Summary of Accounting Policies**

**Statement of compliance**

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Corporations Act 2001 and the terms of the Trust Constitution. The financial statements also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

**Basis of preparation**

The entity is a for-profit entity for the purposes of preparing these financial statements. The financial report has been prepared on the basis of historical cost, except for certain assets which, as noted, are at fair value. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise stated. The financial statements were authorised for issue by the Directors on 19<sup>th</sup> September 2022.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2022 and the comparative information presented in these financial statements for the year ended 30 June 2021.

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. This includes the impact of COVID-19 which has given rise to many significant uncertainties, including the length of time and severity of the impact of COVID-19, how effective the measures taken to control its spread will be, and how quickly activities might return to more normal conditions once the pandemic is over. Actual results may differ from these estimates.

The estimates and underlying assumptions are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

*Investment property values*

Investment properties are carried at their fair value. Valuations are based on either an independent valuation or a Directors' valuation at each reporting date. Valuations are determined based on assessments and estimates of uncertain future events, including upturns and downturns in property markets and availability of similar properties, vacancy rates, market rents and capitalisation and discount rates. Refer to Note 12 and Note 20 for further information regarding investment property valuations.

**Significant Accounting Policies**

The following significant accounting policies have been adopted in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**a. Applications**

Applications received for units in the Scheme are recorded net of any entry fees (if applicable) payable prior to the issue of units in the Trust.

Application Price of units issued pursuant to an offer made via a Product Disclosure Statement

The application price of units issued pursuant to an offer made via a Product Disclosure Statement will be calculated in accordance with the Constitution, being the price at which a unit the subject of an application is issued, being the amount calculated as at the valuation time before the date the application for units is made as determined by the Responsible Entity as representing the Net Asset Value divided by the units in issue plus the estimated transaction costs.

**GDA DIVERSIFIED PROPERTY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**  
**(Continued)**

**NOTE 1: Summary of Accounting Policies (cont.)**

**a. Applications (cont.)**

Application Price of units issued pursuant to an offer made via a Distribution Reinvestment Plan

The application price of units issued pursuant to an offer made via a Distribution Reinvestment Plan shall be the lesser of:

- a) the price at which units are offered in the Product Disclosure Statement as at the distribution payment date; and
- b) the application price of a unit calculated in accordance with the Constitution, being the price at which a unit the subject of an application is issued, being the amount calculated as at the valuation time before the date the application for units is made as determined by the Responsible Entity as representing the Net Asset Value divided by the units in issue plus the estimated transaction costs.

**b. Borrowings**

Borrowings are recorded initially at fair value, net of transaction costs. Loan establishment costs include application fees, loan stamp duty, legal fees, and costs associated with fixing and capping the interest rates. Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the borrowing using the effective interest rate method

**c. 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. Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

**d. Depreciation**

The Trust's land and buildings, which are held at fair value, have the function of an investment and are classified as an investment property (refer Note 1k). In accordance with Accounting Standards, investment properties are not subject to depreciation. Accordingly the investment properties are not depreciated. Taxation allowances for the depreciation of buildings and plant and equipment, that are classified as investment properties, are claimed by the Trust and contributed to the tax deferred components of the distribution.

**e. Equity Instruments**

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

**f. Financial Assets**

*Loans and Receivables*

The Trust has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. The impairment provision takes into account historical collection rates and forward-looking information that is available.

**g. Financial Instruments**

*Debt and Equity Instruments*

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

*Transaction Costs on the Issue of Units*

Transaction costs arising on the issue of Units are recognised directly against equity as a reduction of the proceeds of the Units to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those Units and which would not have been incurred had the Units not been issued.

*Interest and Distributions*

Interest and distributions are classified as expenses or as distributions of profit consistent with the Statement of Financial Position classification of the related debt or equity instrument.

**GDA DIVERSIFIED PROPERTY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**  
**(Continued)**

**NOTE 1: Summary of Accounting Policies (cont.)**

**h. Goods and Services Tax ('GST')**

Revenues, expenses and assets are recognised net of the amount of goods and services tax, except:

- i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. for receivables and payables which are recognised inclusive of GST.

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

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

**i. Impairment of Assets**

At each reporting date, the Trust reviews the carrying amounts of its assets to determine whether those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognised in profit or loss in the year that it is determined.

**j. Income Tax**

Under current income tax legislation, the Trust is not liable to pay income tax provided its taxable income (including assessable realised capital gains) is fully distributed to Unit Holders, by way of cash or reinvestment.

**k. Investment Property**

Investment property, which is property (including integral plant and equipment) held to earn rentals and/or for capital appreciation, is measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

The Trust's property investments are revalued to fair value by independent valuers on a progressive basis. These revaluations are based on fair values which represent the price at which the property investments could be sold at the date of revaluation assuming reasonable exposure to the market and a reasonable settlement period. Valuation processes for Level 3 fair values are performed whenever GDA Securities Ltd ('the Manager') believes there are significant changes of the property market since the previous external valuation.

The liability for capital gains tax that may arise if the properties were sold is not accounted for in these financial statements. The Trust is required to distribute, as a minimum, the taxable income of the Trust to Unit Holders and this taxable income would include any taxable capital gain arising from the sale of the property investments and therefore the Trust is not liable for capital gains tax.

Investment property is classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less costs to sell. For Investment properties to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

**l. Leases**

*Trust as Lessor*

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease.

**m. Payables**

Trade payables and other accounts payable are recognised when the Trust becomes obliged to make future payments resulting from the purchase of goods and services.

**GDA DIVERSIFIED PROPERTY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**  
**(Continued)**

**NOTE 1: Summary of Accounting Policies (cont.)**

**n. Provisions**

Provisions are recognised when the Trust has a present obligation (legal or constructive), as a result of a past event, it is probable the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**o. Repairs and Maintenance**

Repairs and maintenance costs are charged as expenses when incurred. These repairs and maintenance costs will consist of those that, under the relevant lease agreements, are non-recoverable from tenants.

**p. Revenue Recognition**

*Property Rental Income*

Property rental income represents income earned from the rental of Trust properties (exclusive of outgoings recovered from tenants) and is brought to account on a straight line basis.

*Distribution and Interest Income*

Distribution and Interest income represents income earned from bank accounts and investments held and is brought to account on a time proportionate basis, taking into account the effective yield on the financial assets.

**q. Unit Holder Distributions**

The amounts paid to Unit Holders are recorded against Retained Earnings for accounting purposes. Distribution entitlements have been recognised on an accrual basis.

**r. Investment Assets**

Financial assets are presented as current assets unless management intends not to dispose of the assets within 12 months after the balance sheet date.

*Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Trust commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Trust has transferred substantially all risks and rewards of ownership.

*Initial measurement*

Financial assets are initially recognised at fair value plus transaction costs.

*Subsequent measurement*

Financial assets are subsequently carried at fair value. Interest and dividend income on financial assets are recognised separately in income. Changes in fair values of financial assets are recognised as income.

**NOTE 2: Adoption of new and revised Accounting Standards**

**Adoption of New and Revised Accounting Standards**

**(i) Standards and Interpretations affecting amounts reported in the current period (and/or prior periods)**

The following new and revised Standards and Interpretations have been adopted in the current period and have affected the amounts reported in these financial statements. Details of other Standards and Interpretations adopted in these financial statements but that have had no effect on the amounts reported are set out in (ii).

**Standards and Interpretations affecting the reported results or financial position**

There are no new and revised Standards and Interpretations adopted in these financial statements affecting the reporting results or financial position.

**GDA DIVERSIFIED PROPERTY TRUST**  
**ARSN 108 321 651**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**  
**(Continued)**

**NOTE 2: Adoption of new and revised Accounting Standards (cont.)**

**Standards affecting presentation and disclosure**

There are no new and revised Standards and Interpretations adopted in these financial statements affecting presentation and disclosure.

**(ii) Standards and Interpretations adopted with no effect on financial statements**

The following new and revised Standards and Interpretations have also been adopted in these financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements but may affect the accounting for future transactions or arrangements.

There are no new and revised Standards and Interpretations adopted in these financial statements not affecting the amounts reported.

**(iii) Standards and Interpretations issued not yet adopted**

At the date of authorisation of the financial statements, the Standards and Interpretations listed below were in issue but not yet effective.

*AASB 2020-1 'Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current'*

Effective for annual reporting periods beginning on or after 1 January 2023 and expected to be initially applied in the financial year ending 30 June 2024. The directors have not yet assessed the impact of this standard.

*AASB 2020-3 'Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments'*

Effective for annual reporting periods beginning on or after 1 January 2022 and expected to be initially applied in the financial year ending 30 June 2023. The directors have not yet assessed the impact of this standard.

*AASB 2021-2 'Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates'*

Effective for annual reporting periods beginning on or after 1 January 2023 and expected to be initially applied in the financial year ending 30 June 2024. The directors have not yet assessed the impact of this standard.

*AASB 2022-1 'Amendments to Australian Accounting Standards – Initial Application of AASB 17 and AASB 9 – Comparative Information'*

Effective for annual reporting periods beginning on or after 1 January 2023 and expected to be initially applied in the financial year ending 30 June 2024. The directors have not yet assessed the impact of this standard.

**NOTE 3: Rental Income**

	2022	2021
	\$	\$
Rental Income	4,147,746	3,972,556
	4,147,746	3,972,556

**NOTE 4: Property Expenses**

	2022	2021
	\$	\$
Electricity	537	-
Insurance	81,028	70,447
Rates and Taxes	82,606	45,817
Repairs and Maintenance	86,744	45,917
	250,915	162,181

**GDA DIVERSIFIED PROPERTY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**  
**(Continued)**

**NOTE 5: Remuneration of Auditors**

	2022	2021
	\$	\$
Auditing the Financial Report and Compliance Plan	17,500	16,500
	17,500	16,500

The auditor of the GDA Diversified Property Trust is BDO Audit (TAS).

**NOTE 6: Related Party Disclosures**

The Responsible Entity of the GDA Diversified Property Trust is GDA Securities Ltd. The Responsible Entity does not hold any units in the Trust. Holdings by other related parties are disclosed below:

	2022	2021
<b>Related Party</b>	Units	Units
Directors of GDA Securities Ltd	238,185	498,457

All transactions between the Trust and related parties, being directors of GDA Securities Ltd, have been at market value on normal commercial terms and conditions. This includes purchases and sales of investments as well as applications and redemptions. In accordance with the Trust Constitution, the Responsible Entity is entitled to receive fees for the provision of services to the Trust and to be reimbursed for certain expenditure incurred in the administration of the Trust.

No loans were made by the Trust to the Key Management Personnel and/or their related parties.

*Investment Manager's Fee*

The Investment Manager of the Trust, GDA Securities Ltd is entitled to receive administration and management fees for the provision of services to the Trust during the year.

(a) Capital Raising Fee

The Constitution allows for a fee of 5% of funds raised. The Manager for the time being has set the fee at nil.

(b) Property Acquisition Fee

The Constitution allows for a fee of 2% of the gross purchase price of any property acquired.

(c) Property Disposal Fee

The Constitution allows for a property disposal fee of 2% of the sale price of any real property sold after deduction of agent's fees, legal fees relating to the sale, advertising and auction expenses. The Manager for the time being has set the fee at 1.50%.

(d) Management Fee

The Constitution allows for a fee of 0.90% per annum of funds under management. The Manager for the time being has set the fee at 0.75% per annum. The fee is calculated and paid monthly in arrears.

(e) Performance Fee

The Constitution allows for a fee of up to and including 20% of the portion of the outperformance over an internal rate of return of 10%.

	2022	2021
	\$	\$
Property Acquisition Fees	219,000	-
Management Fees	489,282	353,529
Performance Fees	864,016	420,305
	1,572,298	773,834

During the year, the Responsible Entity has incurred certain expenses on behalf of the Trust. The Constitution provides for the reimbursement of these expenses to the Responsible Entity.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**  
**(Continued)**

**NOTE 6: Related Party Disclosures (cont.)**

*Property Management Fee*

The property manager of the Trust's direct property portfolio, GDA Property Services Pty Ltd, is entitled to receive property management fees for the provision of services to the Trust during the year.

	2022	2021
	\$	\$
Property Management Fees	134,936	105,043
	<u>134,936</u>	<u>105,043</u>

*Accounting, Taxation and Unit Trust Registry Fees*

The accounting and registry services provider, GDA Advisory Pty Ltd, is entitled to receive accounting, taxation and unit trust registry maintenance fees for provision of services to the Trust during the year.

	2022	2021
	\$	\$
Accounting and Taxation Fees	26,890	38,174
Unit Trust Registry Fees	24,887	18,198
	<u>51,777</u>	<u>56,372</u>

**NOTE 7: Direct Expenses**

	2022	2021
	\$	\$
Advertising	265,677	58,730
Audit Fees	17,500	16,500
Bank Fees	1,062	420
Compliance Fees	5,000	5,000
Custodian Fees	39,682	29,876
Insurance	57,869	43,628
Leasing Fees	32,663	-
Legal and Accounting Fees	85,406	140,566
Professional Fees	115,778	114,110
Sundry and Other Expenses	11,983	16,543
Valuations	45,648	20,800
	<u>678,268</u>	<u>446,173</u>

**NOTE 8: Unit Holder Distributions**

	Cents Per Unit	2022 \$	Cents Per Unit	2021 \$
<i>Recognised amounts</i>				
Quarter 1 - 1 July - 30 September	1.6005	563,287	1.4871	420,502
Quarter 2 - 1 October - 31 December	1.6510	633,965	1.5627	466,468
Quarter 3 - 1 January - 31 March	1.5534	645,408	1.5534	494,166
Quarter 4 - 1 April - 30 June	1.5208	660,787	1.5832	523,422
Total Distribution Paid or Payable		<u>2,503,448</u>		<u>1,904,558</u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**  
**(Continued)**

**NOTE 9: Receivables**

	2022	2021
	\$	\$
Rent and Other Receivables	251,239	493,419
	<u>251,239</u>	<u>493,419</u>

Trading terms are 14 days for reimbursements and other receivables. Rental income is due on the day of the month which is specified in the lease.

Before accepting new tenants, the Trust performs a comprehensive due diligence to assess their credit worthiness and ability to meet their rental commitments and other expenses incurred by the Trust that are reimbursable under the lease.

Expected credit losses from trade receivables are reviewed, taking into account forward looking information to the best of our knowledge, and in doing so, no material losses as at 30 June 2022 were identified.

**NOTE 10: Other Current Assets**

	2022	2021
	\$	\$
Accrued Income	28,930	-
Prepaid Expenses	37,881	49,210
Other Debtor	19,283	-
	<u>86,094</u>	<u>49,210</u>

**NOTE 11: Investments**

	2022	2021
	\$	\$
<i>Investments in Listed Funds - at fair value</i>		
VanEck Vectors Australian Property ETF	633,225	500,208
Vanguard Australian Property Securities Index ETF	621,908	502,581
Waypoint ETF	621,428	-
	<u>1,876,561</u>	<u>1,002,789</u>

**NOTE 12: Investment Property**

	2022	2021
	\$	\$
<i>Gross Carrying Amount</i>		
Balance at Beginning of Financial Year	55,439,872	52,455,000
Additions	11,856,864	-
Capital Improvements/(Write-offs)	51,533	338,720
Straight-Lining of Rental Income	(91,031)	210,846
Net Revaluation Increments/(Decrements)	6,313,170	2,435,306
Balance at End of Financial Year at Fair Value	<u>73,570,408</u>	<u>55,439,872</u>

As disclosed in Note 1, the Trust's property investments are revalued to fair value by independent valuers to ensure that the fair value is not materially different to the carrying value. Directors' valuations are performed whenever GDA Securities Ltd believes there is a significant change in fair value since the previous valuation. All valuers used are independent valuers that are not related to the Trust. Each valuer is a member of the Australian Institute of Valuers, and they have appropriate qualifications and recent experience in the valuation of properties in relevant locations.

As at 30 June 2022, both 2 Gordons Hill Road, Rosny Park TAS and 93-99 Lambeck Drive, Tullamarine VIC have been reported at the Directors' valuation with both being less than the independent property valuations.

Refer to Note 20 for further information on fair values of investment properties.



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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**  
**(Continued)**

**NOTE 13: Payables**

	2022	2021
	\$	\$
Audit Fees	12,000	12,000
Compliance Fees	1,250	6,250
Custodian Fees	10,231	7,841
GST Payable	74,946	72,135
Interest Payable	59,731	41,892
Management Fees	658,657	185,277
Other Payables	113,089	227,232
	<u>929,904</u>	<u>552,627</u>

Trading terms for suppliers vary according to the individual supplier's terms. Fees payable to the Responsible Entity are due 14 days from date of invoice.

**NOTE 14: Distributions Payable**

	2022	2021
	\$	\$
Balance at the Beginning of Financial Year	523,422	399,724
Distributions Declared (see note 8)	2,503,449	1,904,558
Less Distributions Paid	(2,366,084)	(1,780,860)
Balance at the End of Financial Year	<u>660,787</u>	<u>523,422</u>

**NOTE 15: Other Liabilities**

	2022	2021
	\$	\$
Rent Received in Advance	62,918	203,921
Bonds Held	26,352	-
Other Liabilities	-	211,825
	<u>89,270</u>	<u>415,746</u>

**NOTE 16: Interest Bearing Liabilities**

	2022	2021
	\$	\$
Commonwealth Bank Market Rate Loan	27,000,000	26,746,250
Borrowing Costs	(33,382)	(41,049)
	<u>26,966,618</u>	<u>26,705,201</u>

The Market Rate Loan is secured by a mortgagee over the Trust's investment property and equipment, the current market value of which exceeds the value of the mortgage.

The Market Rate Loan facility is \$27,000,000 with a Line Fee of 1.20%, a Usage Fee of 0.95% and a Variable Market Rate of BBSY. The facility has a term of just under 5 years ending on 1 June 2027.

**GDA DIVERSIFIED PROPERTY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**  
**(Continued)**

**NOTE 17: Equity**

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

	2021 Units	2021 \$
Balance at Beginning of Financial Year	28,054,551	27,036,908
Net transfer from the Statement of Profit or Loss and Other	-	4,402,257
Contributions of Equity net of issue costs	6,552,904	6,665,130
Redemptions of Equity net of issue costs	(534,999)	(533,555)
Distributions Paid	-	(1,904,558)
Balance at End of Financial Year	<u>34,072,456</u>	<u>35,666,182</u>

	2022 Units	2022 \$
Balance at Beginning of Financial Year	34,072,456	35,666,182
Net transfer from the Statement of Profit or Loss and Other	-	7,163,618
Contributions of Equity net of issue costs	11,177,045	12,107,432
Redemptions of Equity net of issue costs	(1,822,904)	(1,991,865)
Distributions Paid	-	(2,503,449)
Balance at End of Financial Year	<u>43,426,597</u>	<u>50,441,918</u>

**NOTE 18: Leases - Disclosures for Lessors**

**Operating Leasing Arrangements**

Operating leases relate to the investment property owned by the Trust with original lease terms of between 3 and 20 years, with some leases containing options to extend. The Trust has leases with a range of tenants in different market sectors, including industrial, office, retail and tourism and leisure. The minimum lease payments receivable on leases of investment properties are as follows:

	2022 \$	2021 \$
Within 1 year	3,977,921	3,925,450
Between 1 and 2 years	3,412,437	3,488,768
Between 2 and 3 years	3,245,723	2,860,969
Between 3 and 4 years	2,486,585	2,789,884
Between 4 and 5 years	2,037,192	2,093,778
Later than 5 years	10,597,919	11,830,714
Future Lease Payments	<u>25,757,777</u>	<u>26,989,563</u>

All leases are subject to yearly increases, some of which are CPI, fixed or market. Where the minimum amount of the increase is not known, the increase is assumed to be zero. In the event the Trust has entered into an unconditional contract of sale of an investment property prior to the reporting date the note excludes income due under the associated operating leases beyond the proposed settlement date.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**  
**(Continued)**

**NOTE 19: Notes to the Statement of Cash Flows**

**(a) Reconciliation of Cash and Cash Equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Investments in money market instruments have maturities of three months or less, are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value. Cash and cash equivalents at end of the financial year as shown in the statement of cash flows is reconciled to the related items in the Statement of Financial Position as follows:

	2022	2021
	\$	\$
Commonwealth Bank Operating Account	2,788,608	6,576,459
Commonwealth Bank Distribution Account	410	-
National Australia Bank Operating Account	560	616
National Australia Bank Application Account	460,006	300,813
	<u>3,249,584</u>	<u>6,877,888</u>

**(b) Reconciliation of net profit/(loss) before Unit Holder finance costs to net cash flows from operating activities**

	2022	2021
	\$	\$
Profit/(loss) before Unit Holder Finance Costs	7,163,618	4,402,257
(Gain)/Loss on revaluation of investment property	(6,313,171)	(2,435,306)
(Gain)/loss on revaluation of investments	374,135	1,237
Straightline Rentals	91,031	(210,846)
Amortisation of borrowing costs	13,471	12,265
Changes in net assets and liabilities		
(Increase)/decrease in assets:		
Current receivables	152,218	(189,292)
Accrued revenue	(28,930)	
Other current assets	11,328	(24,147)
Other non-current assets	16,069	
Increase/(decrease) in liabilities:		
Current payables	365,451	409,359
Other current liabilities	(141,002)	167,433
Net Cash Flow from Operating Activities	<u>1,704,218</u>	<u>2,132,960</u>

**(c) Financing Facilities**

	2022	2021
	\$	\$
Secured finance facilities		
Amount Used	<u>27,000,000</u>	<u>26,746,250</u>
	<u>27,000,000</u>	<u>26,746,250</u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**  
**(Continued)**

**NOTE 19: Notes to the Statement of Cash Flows (cont.)**

**(d) Changes in liabilities from financing activities**

	1-Jul-21	Cash Flows	Acquisition	Non Cash changes		30-Jun-22
	\$	\$	\$	Foreign Exchange	Fair Value Changes	\$
				\$	\$	
Long term borrowings	26,746,250	(6,300,000)	6,553,750	-	-	27,000,000
Short term borrowings	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-
Assets held to hedge long term borrowings	-	-	-	-	-	-
<b>Total</b>	<b>26,746,250</b>	<b>(6,300,000)</b>	<b>6,553,750</b>	<b>-</b>	<b>-</b>	<b>27,000,000</b>

The existing finance facility expires on 1 June 2027.

	1-Jul-20	Cash Flows	Acquisition	Non Cash changes		30-Jun-21
	\$	\$	\$	Foreign Exchange	Fair Value Changes	\$
				\$	\$	
Long term borrowings	26,746,250	-	-	-	-	26,746,250
Short term borrowings	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-
Assets held to hedge long term borrowings	-	-	-	-	-	-
<b>Total</b>	<b>26,746,250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,746,250</b>

**NOTE 20: Fair Values**

**Recurring fair value measurements**

The following financial instruments are subject to recurring fair value measurements:

	2022	2021
	\$	\$
<i>Level 1</i>		
Investments in ASX listed funds	1,876,561	1,002,789
<i>Level 3</i>		
Investment Properties	73,570,408	55,439,872
	<u>75,446,969</u>	<u>56,442,661</u>

**Fair value hierarchy**

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level in the fair value measurement hierarchy as follows:

- Level 1: the instrument has quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: a valuation technique is used using inputs other than quoted prices within Level 1 that are observable for the financial instrument, either directly (i.e. as prices), or indirectly (i.e. derived from prices);
- Level 3: a valuation technique is used using inputs that are not observable based on observable market data (unobservable inputs).

As the Trust holds investment properties, which are independently valued at least every twelve months by a certified valuer or by the Directors, all investment properties fall within Level 3 of the fair value hierarchy.

**Transfers**

During the financial year ended 30 June 2022 there were no transfers into or out of Level 3.

**GDA DIVERSIFIED PROPERTY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**  
**(Continued)**

**NOTE 20: Fair Values (cont.)**

**Valuation techniques used to derive Level 3 fair values**

Investment properties are independently valued at least once every twelve months by a Certified Practising Valuer registered with the Australian Property Institute, this valuation is reviewed by the Directors at which time all or part of the increase/decrease in value will be adopted in the financial reporting of the Trust. The following table sets out the valuation techniques used to measure fair value within Level 3, including details of the significant unobservable inputs used and the relationship between unobservable inputs and fair value.

Description	Valuation Approach	Unobservable inputs <sup>1</sup>	Range of inputs	Weighted average	Relationship between unobservable inputs and fair value
Investment Properties	Combination of Capitalisation, Discounted Cash Flow (DCF) and Direct Comparison approaches. Capitalisation rates, vacancy rates and rental growth rates are estimated by an external valuer or management based on comparable transactions and industry data.	Capitalisation rate	5.00% - 7.50%	5.63%	The lower the capitalisation rate the higher the fair value.
		Vacancy rate	0.00% - 0.00%	0.00%	The higher the vacancy rate the lower the fair value.
		Rental growth rate	0.00% - 3.50%	3.05%	The higher the rental growth the higher the fair value.

<sup>1</sup> There were no significant inter-relationships between unobservable inputs that materially affect fair values.

**Reconciliation of Level 3 fair value movements**

The following table sets out the movements in Level 3 fair values for recurring measurements:

	2022	2021
	\$	\$
Balance at Beginning of Financial Year	55,439,872	52,455,000
Additions	11,856,864	-
Capital Improvements/(Write-offs)	51,533	338,720
Gains/(Losses) recognised in other income	6,313,170	2,435,306
Straight-Lining of Rental Income	(91,031)	210,846
Balance at End of Financial Year	<u>73,570,408</u>	<u>55,439,872</u>

**Valuation processes for Level 3 fair values**

An independent property valuer is appointed to carry out a valuation at least once every twelve months. The valuer must be a member of the Australian Property Institute. The valuation must be performed on the basis of standard practices of the Australian Property Institute.

The Board of Directors must approve the appointment of each valuer and the same valuer cannot be used for more than two consecutive valuations. In intervening periods building valuations are revised according to the Board of Directors assessment of the property market. As at 30 June 2022, both 2 Gordons Hill Road Rosny Park TAS and 93-99 Lambeck Drive, Tullamarine VIC have been reported at the Directors' valuation with both being less than the independent property valuations.

**Disclosed fair values**

The Trust also has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in the notes to the financial statements. Due to their short-term nature, the carrying amount of receivables, other current assets, payables, distributions payable and other current liabilities are assumed to approximate their fair values.

The fair value of non-current borrowings is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Trust for similar financial instruments. The fair value of these borrowings is not materially different from the carrying value because they bear interest at variable rates.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**  
**(Continued)**

**NOTE 21: Financial Risk Management**

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

The Responsible Entity provides financial risk management services to the Trust which relate to its operations. These risks include interest rate risk, credit risk, and liquidity risk. The Responsible Entity reviews the Trust's exposure to financial instruments on a continuous basis. The Trust does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

**(a) Interest Rate Risk**

The Trust is exposed to interest rate risk as it currently borrows funds at floating rates. This risk is managed by the Trust by monitoring interest rate movements with the ability to fix 100% of the total borrowings when required.

As at the date of this report the outstanding Commonwealth Bank Market Rate Loan was subject to variable interest rate as well as a line fee of 1.20% and a usage fee of 0.95%.

**Interest Rate Sensitivity Analysis**

The sensitivity analysis below has been determined based on the Trust's exposure to interest rates at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A both a 100-basis point and 200-basis point increase or decrease has been used and represents management's assessment of the reasonably possible change in interest rates – this is subject to the Directors judgement.

At reporting date, if interest rates had been 100 basis points higher or lower and all other variables were held constant, the impact on the Trust is as follows:

	<b>Effect on Profitability</b>			
	2022	2022	2021	2021
	+1%	-1%	+1%	-1%
Cash and Cash Equivalents	32,496	(32,496)	34,389	(34,389)
Borrowings	(270,000)	270,000	(133,731)	133,731
<b>Total Effect on Profit</b>	<b>(237,504)</b>	<b>237,504</b>	<b>(99,342)</b>	<b>99,342</b>

At reporting date, if interest rates had been 200 basis points higher or lower and all other variables were held constant, the impact on the Trust is as follows:

	<b>Effect on Profitability</b>			
	2022	2022	2021	2021
	+2%	-2%	+2%	-2%
Cash and Cash Equivalents	64,992	(64,992)	68,778	(68,778)
Borrowings	(540,000)	540,000	(267,462)	267,462
<b>Total Effect on Profit</b>	<b>(475,008)</b>	<b>475,008</b>	<b>(198,684)</b>	<b>198,684</b>

**(b) Liquidity Risk**

The responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Trust's short, medium and long-term funding and liquidity management requirements. The Trust's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities. The Trust is, at this stage, illiquid and therefore Unit Holders are unable to withdraw their units at any given time. This substantially reduces the liquidity risk of the Trust. The Trust invests in direct property and therefore there is a risk that the Trust may not be able to liquidate all of these assets at their fair value in order to meet its liquidity requirements.

The Trust manages this risk by maintaining adequate banking facilities and regular monitoring of its forecast and actual cash flows.

**GDA DIVERSIFIED PROPERTY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**  
**(Continued)**

**NOTE 21: Financial Risk Management (cont.)**

**Liquidity Risk Tables**

The following table details the Trust's expected maturity for its financial assets and remaining contractual maturity for its financial liabilities as at 30 June 2022.

	Less than 1 year	1 to 5 years	More than 5 years	Total
	\$	\$	\$	\$
<b>2022</b>				
<b>Financial Assets</b>				
Cash & Cash Equivalents	3,249,584	-	-	3,249,584
Receivables	299,452	54,611	-	354,063
	<u>3,549,036</u>	<u>54,611</u>	<u>-</u>	<u>3,603,647</u>
<b>Financial Liabilities</b>				
Payables & Other Liabilities	1,019,174	-	-	1,019,174
Distribution Payables	660,787	-	-	660,787
Variable Rate Debt Instruments	1,180,788	31,632,571	-	32,813,359
	<u>2,860,749</u>	<u>31,632,571</u>	<u>-</u>	<u>34,493,320</u>

The following table details the Trust's expected maturity for its financial assets and remaining contractual maturity for its financial liabilities as at 30 June 2021.

	Less than 1 year	1 to 5 years	More than 5 years	Total
	\$	\$	\$	\$
<b>2021</b>				
<b>Financial Assets</b>				
Cash & Cash Equivalents	6,877,888	-	-	6,877,888
Receivables	493,419	-	-	493,419
	<u>7,371,307</u>	<u>-</u>	<u>-</u>	<u>7,371,307</u>
<b>Financial Liabilities</b>				
Payables & Other Liabilities	552,627	-	-	552,627
Distribution Payables	523,422	-	-	523,422
Variable Rate Debt Instruments	588,418	28,485,709	-	29,074,127
	<u>1,664,467</u>	<u>28,485,709</u>	<u>-</u>	<u>30,150,176</u>

**(c) Credit Risk Management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Trust. The Trust has adopted the policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Trust measures credit risk on a fair value basis.

Trade receivables consist of a number of tenants, spread across different industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The trust considers the credit worthiness of financial institutions in determining where to manage its funds. Credit risk is determined to be low due to making deposits at AAA rated financial institutions.

**NOTE 22: Subsequent Events**

The directors of the responsible entity are not aware of any significant events since the end of the reporting period.

**GDA DIVERSIFIED PROPERTY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**  
**(Continued)**

**NOTE 23: Key Management Personnel Disclosures**

AASB 124 "Related Party Disclosures" defines Key Management Personnel ("KMP") as including all Directors and any other persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Trust has no direct employees, however the Directors of the Responsible Entity have been deemed to be Directors of the Trust. These individuals comprise the Key Management Personnel of the Trust.

Remuneration paid to the Responsible Entity is detailed in Note 6. No Director of the Responsible Entity was paid any remuneration by the Trust during the year (2021: Nil) and their compensation paid by the Responsible Entity or related entities of the Responsible Entity is not related to services they render to individual Trusts.

**NOTE 24: Additional Trust Information**

GDA Diversified Property Trust is an unlisted property trust, incorporated and operating in Australia.

*Principal place of Business and Registered Office*

Level 2, 94 Liverpool Street  
Hobart TAS 7000  
Tel: (03) 6234 4413



**GDA DIVERSIFIED PROPERTY TRUST  
ARSN 108 321 651**

**DIRECTORS' DECLARATION**

In the opinion of the Directors of the Responsible Entity, at the date of this Declaration:

- a) There are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable;
- b) The attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Trust; and
- c) The attached financial statements are in compliance with International Financial Reporting Standards, as stated in Note 1 to the financial statements.

Signed in accordance with a resolution of the Directors of the Responsible Entity made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the Directors of the Responsible Entity, GDA Securities Ltd.



Helen Cowhan  
Director

Dated this 19<sup>th</sup> day of September 2022

## INDEPENDENT AUDITOR'S REPORT

To the directors of the responsible entity of GDA Diversified Property Trust

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of GDA Diversified Property Trust (the Trust), 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 equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the accompanying financial report of GDA Diversified Property Trust, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Trust's financial position as at 30 June 2022 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Trust in accordance with 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 (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 Trust, would be in the same terms if given to the directors of the responsible entity 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 obtained at the date of this auditor's report is information included in the directors report, but does not include the financial report and our auditor's report thereon.

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



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

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

#### **Responsibilities of the Responsible Entity for the Financial Report**

The directors of the responsible entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors of the responsible entity 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 of the responsible entity are responsible for assessing the Trust's ability 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 Trust 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

*BDO Audit (TAS)*

**BDO Audit (TAS)**

**DAVID E PALMER**

Partner

Hobart, 19<sup>th</sup> September 2022