

**MINERVA FUNDS MANAGEMENT LIMITED**

**ABN 81 119 873 282**

**SPECIAL PURPOSE ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2019**

**MINERVA FUNDS MANAGEMENT LIMITED  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 JUNE 2019**

The directors present their report together with the financial report of Minerva Funds Management Limited (the "Company") for the year ended 30 June 2019 and the auditor's report thereon.

**Directors**

The directors of the Company at any time during or since the end of the financial year were:

James Boyle  
Sherman Ma  
Peter Riedel

All directors held office throughout the year ended 30 June 2019 unless stated otherwise.

**Company secretary**

Peter Riedel

**Principal activities**

The principal activity of the Company is the provision of management services for various Liberty Group investment funds.

**Results and review of operations**

The profit after income tax amounted to nil (2018: nil).

**Dividends**

No dividend has been declared or paid since the incorporation of the Company. The directors do not recommend a dividend and no dividends were declared or paid during the year.

**Significant changes in the state of affairs**

In the opinion of the directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review.

**Events subsequent to balance date**

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

**Likely developments**

Information about likely developments in the operations of the Company and the expected results of those operations in future financial years has not been included in this report because disclosure of such information would likely result in unreasonable prejudice to the Company.

**MINERVA FUNDS MANAGEMENT LIMITED  
DIRECTORS' REPORT (cont.)  
FOR THE YEAR ENDED 30 JUNE 2019**

**Environmental regulation**

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation.

**Indemnification of officers**

*Indemnification*

The Company has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer of the Company.

*Insurance premiums*

Liberty Financial Pty Ltd (a related entity) pays a premium each year in respect of a contract insuring the directors and secretary of the Company against liabilities past, present and future. In accordance with normal commercial practice, disclosure of the total amount of premium payable under, and the nature of the liabilities covered by, the insurance contract is prohibited by a confidentiality clause in the contract. No such insurance cover has been provided for the benefit of any external auditor of the Company.

**Lead auditor's independence declaration**

The lead auditor's independence declaration is set out on page 3 and forms part of the directors' report for the financial year ended 30 June 2019.

This report is made with a resolution of the directors:



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Peter Riedel  
Director

Dated at Melbourne on 19 September 2019.



# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Minerva Funds Management Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Minerva Funds Management Limited for the financial year ended 30 June 2019 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

  
KPMG



BW Szentirmay

*Partner*

Melbourne

19 September 2019

**MINERVA FUNDS MANAGEMENT LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2019**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>Income</b>	-	-
<b>Expenses</b>	-	-
<b>Profit before income tax</b>	-	-
Income tax expense	-	-
<b>Profit after tax</b>	-	-
Other comprehensive income	-	-
<b>Total comprehensive income for the year attributable to owners of the Company</b>	-	-

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the financial statements set out on pages 8 to 11.

**MINERVA FUNDS MANAGEMENT LIMITED  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 JUNE 2019**

	<b>Share capital</b> \$	<b>Retained losses</b> \$	<b>Total equity</b> \$
Balance at 1 July 2017	50,100	(39,757)	10,343
Profit for the year	-	-	-
<b>Balance at 30 June 2018</b>	<b>50,100</b>	<b>(39,757)</b>	<b>10,343</b>
Balance at 1 July 2018	50,100	(39,757)	10,343
Profit for the year	-	-	-
<b>Balance at 30 June 2019</b>	<b>50,100</b>	<b>(39,757)</b>	<b>10,343</b>

The Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements set out on pages 8 to 11.

**MINERVA FUNDS MANAGEMENT LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2019**

	Note	2019 \$	2018 \$
<b>Assets</b>			
Receivables	6	50,100	50,100
Investments	7	400,100	200,100
<b>Total Assets</b>		<b>450,200</b>	<b>250,200</b>
<b>Liabilities</b>			
Payables	8	439,857	239,857
<b>Total Liabilities</b>		<b>439,857</b>	<b>239,857</b>
<b>Net Assets</b>		<b>10,343</b>	<b>10,343</b>
<b>Equity</b>			
Share capital	9	50,100	50,100
Retained losses		(39,757)	(39,757)
<b>Total Equity</b>		<b>10,343</b>	<b>10,343</b>

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements set out on pages 8 to 11.

**MINERVA FUNDS MANAGEMENT LIMITED  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2019**

	<b>2019</b>	<b>2018</b>
	\$	\$
<b>Cash flows from operating activities</b>		
Movement in operating activities	-	-
	<hr/>	<hr/>
<b>Net cash from operating activities</b>	-	-
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Movement in investing activities	-	-
	<hr/>	<hr/>
<b>Net cash from investing activities</b>	-	-
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
Movement in financing activities	-	-
	<hr/>	<hr/>
<b>Net cash from financing activities</b>	-	-
	<hr/>	<hr/>
<b>Net increase in cash held</b>	-	-
<b>Cash at the beginning of the year</b>	-	-
	<hr/>	<hr/>
<b>Cash at the end of the year</b>	-	-
	<hr/>	<hr/>

The Statement of Cash Flows is to be read in conjunction with the notes to the financial statements set out on pages 8 to 11.



**MINERVA FUNDS MANAGEMENT LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

**1 REPORTING ENTITY**

Minerva Funds Management Limited (the "Company") is a limited company domiciled in Australia. The address of the Company's registered office is Level 16, 535 Bourke Street, Melbourne, Victoria 3000.

**2 BASIS OF PREPARATION**

The Company is a for profit entity for the purpose of preparing these financial statements.

**(a) Statement of compliance**

In the opinion of the directors, the Company is not a reporting entity because there are no users dependent on general purpose financial reports. The special purpose financial report has been prepared in accordance with the recognition and measurement aspects of all applicable Australian Accounting Standards adopted by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001.

The special purpose financial report has been prepared in accordance with the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, AASB 1048 Interpretation and Application of Standards and AASB 1054 Australian Additional Disclosures.

The Company has adopted AASB 9 and AASB 15 from 1 July 2018. Under the transition methods chosen, comparative information is not restated. Changes to significant accounting policies are described in note 3.

The financial statements have been prepared on a going concern basis. The Company has a letter of support from the ultimate Australian parent entity which will provide support to the Company to pay its debts as and when they fall due if required.

The special purpose financial statements were approved by the Board of Directors on 19 September 2019.

**(b) Basis of measurement**

The financial statements have been prepared on the basis of historical cost except as otherwise stated.

**(c) Functional and presentation currency**

These financial statements are presented in Australian dollars, which is the Company's functional currency.

**(d) Use of estimates and judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are considered to be reasonable. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

**MINERVA FUNDS MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**3 CHANGES IN ACCOUNTING POLICIES**

Except for the changes below, the accounting policies set out in note 4, have been applied consistently to all periods presented in these financial statements.

**(a) AASB 9 Financial Instruments**

AASB 9 is mandatory for annual reporting periods commencing on or after 1 January 2018 and replaces AASB 139 Financial Instruments: Recognition and Measurement. In accordance with the transition requirements, comparatives are not restated.

*Financial assets*

Under AASB 9, the loans and receivables classification category was removed and a new classification category, amortised cost, was introduced. Financial assets of the Company previously classified as loans and receivables are now classified as amortised cost, based on the objective of the business model pertaining to those financial assets.

The transition to AASB 9 has had no impact on the measurement of any of the Company's financial assets.

*Financial liabilities*

The classification of the Company's financial liabilities remains unchanged under AASB 9. Financial liabilities continue to be subsequently measured at amortised cost.

*Impairment of financial assets*

AASB 9 introduced an expected credit loss (ECL) impairment model that replaced the incurred loss model and applies to all financial assets, except for those which are fair value through profit or loss (FVPL), and equity securities designated as at fair value through other comprehensive income (FVOCI), which are not subject to impairment assessment. The introduction of the ECL impairment model has had no financial impact on the assets of the Company.

*Impact of transition to AASB 9*

The adoption of AASB 9 has no impact on the Company's opening balance of retained earnings at 1 July 2018.

**(b) AASB 15 Revenue from Contracts with Customers**

AASB 15 is mandatory for annual reporting periods commencing on or after 1 January 2018, and establishes a comprehensive framework for determining whether, how much, and when revenue is recognised. It replaces previous revenue recognition guidance in AASB 118 Revenue. The Company has assessed all revenue streams that fall within the scope of the standard, and determined that transition impacts are immaterial. The Company has adopted AASB 15 retrospectively with the cumulative effect of initially applying the standard recognised at 1 July 2018. The adoption of AASB 15 has had no impact on the Company's opening balance of retained earnings at 1 July 2018.

**4 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as otherwise disclosed (see note 3).

**MINERVA FUNDS MANAGEMENT LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**4 SIGNIFICANT ACCOUNTING POLICIES (cont.)**

**(a) Non-derivative financial instruments**

Non-derivative financial instruments comprise receivables and payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through the statement of profit or loss and other comprehensive income, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment loss.

A financial instrument is recognised if the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Company's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset.

**(b) Share capital**

*Ordinary shares*

Ordinary shares are classified as equity. Incremental costs are directly attributable to issue of ordinary shares.

**(c) Impairment**

The Company assesses whether objective evidence of impairment exists for financial assets and where objective evidence exists, the financial asset is recognised at the present value of its future cash flows.

**(d) Investments**

Investments in controlled entities are recognised at cost and subject to impairment testing. Any diminution in the value of an investment due to impairment is recognised as a loss in the statement of profit or loss and other comprehensive income in the year in which it arises.

**(e) Income tax**

Income tax in the statement of profit or loss and other comprehensive income for the year comprises current tax. Income tax is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any known or likely adjustments to tax payable in respect of previous years. Carried forward tax losses are not booked as deferred tax assets due to the uncertainty of their realisation.

**5 AUDITOR'S REMUNERATION**

Audit fees of \$5,000 (2018: \$4,100) for the Company are paid by Liberty Financial Pty Ltd, a related party of the Company. There were no non-audit fees (2018: nil).

**MINERVA FUNDS MANAGEMENT LIMITED  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

	<b>2019</b>	<b>2018</b>
	\$	\$
<b>6 RECEIVABLES</b>		
Loan to controlling entity	50,100	50,100
	<hr/>	<hr/>
All receivable balances are non-current and unsecured.		
<b>7 INVESTMENTS</b>		
Investment in Liberty Fiduciary Limited	400,100	200,100
	<hr/>	<hr/>
During the year the Company made a further investment in Liberty Fiduciary Limited for \$200,000, with a corresponding increase in loan from related party in note 8. All investment balances are non-current.		
<b>8 PAYABLES</b>		
Loan from related party	439,857	239,857
	<hr/>	<hr/>
All payable balances are non-current and unsecured.		
<b>9 SHARE CAPITAL</b>		
50,100 ordinary shares, fully paid (2018: 50,100)	50,100	50,100
	<hr/>	<hr/>

**Ordinary shares**

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

No dividend has been declared or paid since the incorporation of the Company. The directors do not recommend a dividend and no dividends were declared or paid during the year.

In the event of winding up, the Company's ordinary shareholders are fully entitled to any proceeds of liquidation.

**10 RELATED PARTIES**

The immediate parent entity of Minerva Funds Management Limited is Juno Holdings S.a r.l and the ultimate parent entity is Quaker Partners LLC.

**11 COMMITMENTS AND CONTINGENT LIABILITIES**

There are no outstanding commitments or contingent liabilities as at 30 June 2019 (2018: nil).

**12 EVENTS SUBSEQUENT TO BALANCE DATE**

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

**MINERVA FUNDS MANAGEMENT LIMITED  
DIRECTORS' DECLARATION  
FOR THE YEAR ENDED 30 JUNE 2019**

In the opinion of the directors of Minerva Funds Management Limited (the "Company"):

- (a) the Company is not a reporting entity;
- (b) the special purpose financial statements and notes, set out on pages 4 to 11 are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the financial position of the Company as at 30 June 2019 and of its performance, as represented by the results of its operations and its cash flows for the year ended 30 June 2019 in accordance with the basis of accounting as described in note 2 (a);
  - (ii) complying with the Australian Accounting Standards and the Corporations Regulations 2001; and
- (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



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Peter Riedel  
Director

Dated at Melbourne on 19 September 2019.



# Independent Auditor's Report

To the members of Minerva Funds Management Limited

## Opinion

We have audited the **Financial Report** of Minerva Funds Management Limited (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Company's financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and
- Complying with *Australian Accounting Standards* to the extent described in Note 2 and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- The statement of financial position as at 30 June 2019
- The statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Director's Declaration.

## Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Company 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* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

## Emphasis of matter – basis of preparation and restriction on use and distribution

We draw attention to Note 2 to the Financial Report, which describe the basis of preparation. The Financial Report has been prepared for the purpose of fulfilling the Directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the members of Minerva Funds Management Limited and should not be used by parties other than the members of Minerva Funds Management Limited. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Report to which it relates, to any person other than the members of Minerva Funds Management Limited or for any purpose other than that for which it was prepared.

## Other Information



Other Information is financial and non-financial information in Minerva Funds Management Limited's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

### Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view and have determined that the basis of preparation described in Note 2 to the Financial Report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members;
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our Auditor's Report.

KPMG

KPMG

BW Szentirmay

Partner

Melbourne

19 September 2019