



2020 ANNUAL REPORT

CORPORATE DIRECTORY

Directors of Responsible Entity	Steven Pritchard Enzo Pirillo Brett Hall
Company secretary	Enzo Pirillo
Registered Office	10 Murray Street Hamilton NSW 2303 Telephone +61 2 4920 2877 Facsimile +61 2 4920 2878 Email: mail@hamiltonam.com.au Web: www.hamiltonam.com.au
Principal Place of Office	10 Murray Street Hamilton NSW 2303 Telephone +61 2 4920 2877 Facsimile +61 2 4920 2878
Unit Registry	Rees Pritchard Investor Services Pty Limited 10 Murray Street Hamilton NSW 2303 Telephone +61 2 4920 2877 Facsimile +61 2 4920 2878
Auditors	PKF Newcastle 755 Hunter Street Newcastle West NSW 2302 Telephone +61 2 4962 2688 Facsimile +61 2 4962 3245

CONTENTS

	Page
Directors' Report	1
Auditor's Independence Declaration	3
Statement of Profit or Loss and Other Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Directors' Declaration	15
Independent Auditor's Report	16

Newcastle Securities and General Trust

DIRECTORS' REPORT

The directors of Hamilton Asset Management Limited, the Responsible Entity of the Newcastle Securities and General Trust ("the Fund"), present their report for the financial year ended 30 June 2020 and the independent auditor's report thereon.

Directors

The names of directors of the Responsible Entity in office at any time during or since the end of the financial year are:

Name	Period of directorship
Steven S Pritchard	Appointed 18 September 2009
Enzo Pirillo	Appointed 18 September 2009
Brett A Hall	Appointed 18 September 2009

Review of operations

The Fund aims to achieve a return of 8% per annum over the medium to long term.

The Fund achieved a return of -1% for the year, after all costs, for investors who held their units for the entire period.

During the year, the Fund issued an additional 7,513 units for \$10,498, leaving a total amount of units on issue at the end of the year of 929,453 and unit holder funds of \$1,292,839.

Currently, the Fund is available for investment to those persons who are classified as wholesale investors under the Corporations Act.

Results

The results of the operations of the Fund are disclosed in the Statement of Comprehensive Income of these financial statements.

The loss attributable to unit holders for the year ended 30 June 2020 was \$2,804 (2019: \$44,426 profit).

Distributions

The distribution payable to unit holders for the year ended 30 June 2020 was \$3,093 equivalent to \$0.0033 per share (2019: \$10,498 equivalent to \$0.0114 per share).

Unit price history

The Fund calculates the net asset value of Fund's units as at the last business day of each month. The net asset value of the Fund is calculated by deducting the gross value of the Fund's assets from the liabilities of the Fund.

The following table shows the ex-distribution unit exit price for the Fund at the close of business on the reporting date/redemption date and the highest and lowest exit price during the period.

Ordinary units	2020	2019
	\$	\$
At 30 June		
- Pre-distribution	1.3943	1.4087
- Post-distribution	1.3910	1.3975
Period to 30 June:		
- High	1.4893	1.4087
- Low	1.1947	1.2759

Changes in state of affairs

There were no significant changes in the state of affairs of the Fund during the financial year.

Interests in the Fund

Details of the units in the Fund issued during the financial period, withdrawals from the Fund during the financial period and the number of units on issue in the Fund as at the end of the financial period are contained in Note 9 to the financial statements. Units in the Fund held by Hamilton Asset Management Limited and its associates are contained in Note 13 to the financial statements.

Future Developments, Prospects and Business Strategies

Disclosure of information regarding likely developments in the operations of the Fund in future financial periods and the expected results of those operations is likely to result in unreasonable prejudice to the Fund. Accordingly, this information has not been disclosed in this report.

Newcastle Securities and General Trust

DIRECTORS' REPORT

Options granted

No options were:

- (i) Granted over unissued units in the Fund during or since the end of the financial period; or
- (ii) Granted to the Responsible Entity

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

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

Indemnification of officers and auditors

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

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

Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Fund, the results of the Fund, or the state of affairs of the Fund in future financial periods.

Auditor's independence declaration

The auditor's independence declaration is included on page 3 of this report.

This directors' report is signed in accordance with a resolution of directors made pursuant to s.298(2) of the *Corporations Act 2001*.

Signed on behalf of the Directors of the Responsible Entity Hamilton Asset Management Limited.



Steven Shane Pritchard

Director

Hamilton, 16 June 2022

Hamilton Asset Management Limited as Responsible Entity for the
Newcastle Securities & General Trust

Auditors Independence Declaration under Section 307C of the Corporations Act
2001

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, 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.



PKF



MARTIN MATTHEWS
PARTNER

16 JUNE 2022
NEWCASTLE, NSW

PKF (NS) Audit & Assurance Limited Partnership
ABN 91 850 861 839

Liability limited by a scheme approved
under Professional Standards Legislation

Sydney
Level 8, 1 O'Connell Street
Sydney NSW 2000 Australia
GPO Box 5446 Sydney NSW 2001
p +61 2 8346 6000
f +61 2 8346 6099

Newcastle
755 Hunter Street
Newcastle West NSW 2302 Australia
PO Box 2368 Dangar NSW 2309
p +61 2 4962 2688
f +61 2 4962 3245

PKF (NS) Audit & Assurance Limited Partnership is a member firm of the PKF International Limited family of separately owned firms and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

For our office locations visit www.pkf.com.au

Newcastle Securities and General Trust
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	30 June 2020	30 June 2019
	\$	\$
Investment Income		
Dividends received	25,260	21,203
Interest	1,373	1,164
Trust distributions	3,105	5,863
Net changes to fair value of investments	(5,896)	38,592
Total investment income	23,842	66,822
 Operating Expenses		
Bank charges	35	36
Expense recovery	6,653	5,590
Management fees	19,958	16,770
Performance fees	-	-
Total expenses from operating activities	26,646	22,396
Operating profit	(2,804)	44,426
 Finance costs and other comprehensive income		
Distribution to unit holders	(3,093)	(10,498)
Change in Net Assets Attributable to Unit holders	5,897	(33,928)
Total comprehensive income	-	-

The accompanying notes form part of these financial statements.

Newcastle Securities and General Trust

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	Note	30 June 2020	30 June 2019
		\$	\$
ASSETS			
Cash and cash equivalents	3	59,844	173,435
Trade and other receivables	4	21,930	54,321
Investments	5	1,217,441	1,076,048
TOTAL ASSETS		1,299,215	1,303,804
LIABILITIES			
Trade and other payables	6	3,283	5,068
Distributions payable	7	3,093	10,498
TOTAL LIABILITIES		6,376	15,566
 NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	 8	 1,292,839	 1,288,238
Liability attributable to unit holders		(1,292,839)	(1,288,238)
NET ASSETS		-	-

The accompanying notes form part of these financial statements.

Newcastle Securities and General Trust
STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	\$
Balance at 01.07.2018	-
Profit or Loss for the period	-
Other comprehensive income for the period	-
Total comprehensive income for the year	-
Balance at 30.06.2019	-
Balance at 01.07.2019	-
Profit or Loss for the period	-
Other comprehensive income for the period	-
Total comprehensive income for the year	-
Balance at 30.06.2020	-

For the purposes of these Financial Reports net assets attributable to unit holders is classified as a financial liability and disclosed as such in the statement of financial position.

The accompanying notes form part of these financial statements.

Newcastle Securities and General Trust

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020**

	Note	30 June 2020	30 June 2019
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Distributions received		7,087	4,836
Dividends received		24,518	21,081
Interest received		1,374	1,164
Administration expenses		(30,343)	(26,495)
Bank charges		(35)	(36)
Other receipts		2,356	3,276
Net cash provided by operating activities	10	4,957	3,826
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the sale of investments		520,743	254,253
Payments to acquire investments		(639,291)	(210,541)
Net cash (used in)/ provided by investing activities		(118,548)	43,712
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipt from issue of units to unit holders		-	5,000
Net cash provided by financing activities		-	5,000
Net (decrease)/ increase in cash held		(113,591)	52,538
Cash at beginning of period		173,435	120,897
Cash at end of period	3	59,844	173,435

The accompanying notes form part of these financial statements.

Newcastle Securities and General Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

NOTE 1: FINANCIAL REPORTING FRAMEWORK

Statement of compliance and basis of preparation

The financial report is a special purpose financial report prepared in accordance with the requirements of the Fund's Constitution, Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. Newcastle Securities and General Trust ("the Fund") is a wholesale managed investment scheme domiciled in Australia.

The financial report has been prepared on an accruals basis and is based on historical costs, except where stated, in accordance with the requirements of the Fund's constitution. Fund investments are revalued to fair value. Cost is based on the fair value of the consideration given in exchange for assets.

The address of its registered office and principal place of business is 10 Murray Street, Hamilton, New South Wales.

The principal activity of the Fund is disclosed in the directors' report.

All amounts are presented in Australian dollars, unless otherwise noted.

The financial report was approved by the Board of directors and authorised for issue on 16 June 2022.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 and other events is reported.

The following significant accounting policies have been adopted in the preparation and presentation of the Financial Report:

(a) Income recognition

Income revenue is recognised on a proportional basis taking into account the interest rates applicable to the relevant financial asset.

Trust distributions are recognised on a receivable basis as of the date the unit value is quoted ex-distribution. If the distributions are capital returns the amount of the distribution is treated as an adjustment to the carry value of the securities.

(b) Taxation

Under current legislation the Fund is not subject to income tax, provided taxable income including assessable capital gains is fully distributed to unitholders for the financial year. The Fund fully distributes its distributable income, calculated in accordance with the Fund's constitution and applicable taxation legislation, to the unitholders who are presently entitled under the constitution.

If the Fund makes a net realised capital loss, the loss is not distributed to unitholders, but is retained in the Fund to be offset against any future realised capital gains.

(c) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments, which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of acquisition.

Newcastle Securities and General Trust
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Fair value of financial assets and liabilities

Recognition and initial measurement

Financial assets and liabilities are recognised when each Fund becomes a party to the contractual provisions of the instrument. For financial assets this is equivalent to the date that the Fund commits itself to either the purchase or sale of the assets (i.e. trade date accounting is adopted).

At initial recognition, the Fund measures financial assets and financial liabilities at fair value. Subsequent to initial recognition, all financial assets and liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income in the period in which they arise.

For financial assets and financial liabilities at amortised cost, they are initially measured at fair value including directly attributable costs and are subsequently measured according to their classification.

Fixed deposits, cash and cash equivalents, due from brokers and receivables are carried at amortised cost.

(e) Distributions

Distributions paid and payable on units are recognised in the statement of comprehensive income and as a liability where not paid. Distributions paid are included in cash flows from financing activities in the statement of cash flows.

(f) Goods and Services Tax

Income, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except:

- a. Where the amount of GST incurred is not recoverable from the taxation authority, the GST amount is recognised as part of the cost of acquisition of an asset or as an expense.
- b. 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 cash flows from operating activities.

(g) Application and redemption prices

The application and redemptions prices are determined as the net asset value of the Fund adjusted for the estimated transaction costs, divided by the number of units on issue on the date of the application or redemption.

(h) Segment Information

The Fund has adopted AASB 8 Operating Segments. Since the Fund is unlisted and is not in the process of issuing any class of instruments in the public market, disclosure of segment information is not required in the Fund's annual report.

(i) Critical accounting estimates and judgements

The preparation of financial reports in conformity with AIFRS requires the use of certain critical accounting estimates. This requires the Board and management to exercise their judgement in the process of applying the Fund's accounting policies.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. In accordance with AASB 9 the fair value of the fund's Financial Assets have in the absence of an active market for those assets been determined by the directors of the responsible entity.

Apart from this, there are no key assumptions or sources of estimation uncertainty that have a risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period.

Newcastle Securities and General Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Adoption of new and revised accounting standards

The Fund has not applied any Australian Accounting Standards or AASB Interpretations that have been issued at balance date but are not yet operative for the year ended 30 June 2020 ("the inoperative standards") The impact of the inoperative standards has been assessed and the impact has been identified as not being material. The Fund only intends to adopt inoperative standards at the date at which their adoption becomes mandatory.

The adoption of the various Australian Accounting Standards and Interpretations in issue but not yet effective will not impact the Fund's accounting policies. However, the pronouncements will result in changes to information currently disclosed in the financial statements. The Fund does not intend to adopt any of these pronouncements before their effective dates.

Newcastle Securities and General Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	30 June 2020	30 June 2019
	\$	\$
NOTE 3: CASH AND CASH EQUIVALENTS		
Cash at bank	59,844	173,435
Total cash and cash equivalents	59,844	173,435
NOTE 4: TRADE AND OTHER RECEIVABLES		
Trade and other receivables	21,930	54,321
	21,930	54,321
NOTE 5: INVESTMENTS		
Investments measured at fair value through profit or loss	1,217,441	1,076,048
	1,217,441	1,076,048
NOTE 6: TRADE AND OTHER PAYABLES		
Trade payables	1,100	2,872
Accrued charges	2,183	2,196
	3,283	5,068
NOTE 7: DISTRIBUTIONS PAYABLE		
Distribution payable to unit holders	3,093	10,498
NOTE 8: NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		
At beginning of the year	1,288,238	976,073
Unit applications	-	348,624
Unit redemptions	-	(90,569)
Reinvestment of distribution	10,498	20,182
(Decrease)/ increase in net assets attributable to unit holders	(5,897)	33,928
Net assets attributable to unit holders	1,292,839	1,288,238
	30 June 2020	30 June 2019
	Units	Units
NOTE 9: NUMBER OF ISSUED UNITS		
At beginning of the year	921,940	722,478
Units issued during the year	-	249,117
Units redeemed during the year	-	(64,594)
Reinvestment of distribution	7,513	14,939
On issue at year-end	929,453	921,940

Newcastle Securities and General Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

	30 June 2020	30 June 2019
	\$	\$
NOTE 10: CASH FLOW INFORMATION		
(Loss)/ profit attributable to unit holders	(2,804)	44,426
Changes to net fair value of investments	5,896	(38,592)
Dividends reinvested	(741)	(685)
Increase in trade and other receivables	4,390	(992)
Increase/ (decrease) in trade payables and accruals	(1,784)	(331)
Cash flow from operations	4,957	3,826

NOTE 11: FINANCIAL RISK MANAGEMENT

The Fund's financial instruments consist mainly of deposits with banks, investments, distributions receivable and payable and accounts payable. The capital structure of the Fund consists of the proceeds from the issue of the units of the Fund. The Responsible Entity aims to ensure that there is sufficient capital for possible redemptions by Unitholders.

Financial instruments held by the Fund:

Financial assets

Cash and cash equivalents	59,844	173,435
Investments at fair value	1,217,441	1,076,048
Trade and other receivables	21,930	54,321
	1,299,215	1,303,804

Financial liabilities

Trade and other payables	3,283	5,068
Distributions payable	3,093	10,498
	6,376	15,566

a) Market risk

i. Price risk

The Fund is exposed to equity securities price risk. This arises from investments held by the Fund. A majority of the Fund's equity investments are publicly traded.

A general rise/ (fall) in market prices of 5% or 10%, if spread equally over all assets in the portfolio, would lead to an increase/ (decrease) in the Fund's portfolio value of \$60,872 or \$121,744 respectively.

ii. Interest rate risk

The majority of the Fund's financial assets are not interest-bearing. The main interest rate risk for the Fund arises from its cash holdings. The Fund's exposure to interest rate risk is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates.

b) Credit risk

This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk is managed as noted in the Notes to the financial statements with respect to cash and trade and other receivables. None of these assets are overdue or considered to be impaired.

Newcastle Securities and General Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

NOTE 11: FINANCIAL RISK MANAGEMENT (CONTINUED)

c) Liquidity risk

The liquidity risks associated with the need to satisfy Unit holders' requests for redemptions are mitigated by requiring a 180 day notice period for redemption requests.

d) Net fair value of financial assets and liabilities

The Fund's financial assets and liabilities are measured at fair value at the end of each reporting period.

Fair value measurements

The following table provides the fair values of the Fund's asset and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy.

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

30 June 2020	Note	Level 1	Level 2	Level 3	Total
		\$	\$	\$	\$
Financial assets at fair value through profit or loss					
Investment Portfolio (Equities)	5	1,217,441	-	-	1,217,441
Total		<u>1,217,441</u>	<u>-</u>	<u>-</u>	<u>1,217,441</u>

The fair value of financial instruments traded in active markets (including publicly traded derivatives) is based on quoted market prices at the end of the reporting year. These instruments are included in level 1.

There were no transfers between Level 1, 2 and 3 for assets measured at fair value on a recurring basis during the reporting period (2019: no transfers).

NOTE 12: RELATED PARTY DISCLOSURES

The Responsible Entity of Newcastle Securities and General Trust is Hamilton Asset Management Limited ACN 139 473 699. Hamilton Asset Management Limited is a wholly owned subsidiary of Hamilton Asset Management Proprietary Holdings Limited ACN 133 313 069 whose ultimate parent entity is Hamilton Capital Proprietary Limited ACN 099 837 199. Accordingly transactions with entities related to the Hamilton Capital Group are disclosed below.

Transactions with related parties have taken place at arm's length and in the ordinary course of business.

The Responsible Entity is entitled to be paid \$26,611 (2019: \$22,360) for fees and expense reimbursements incurred on behalf of the Fund including amounts payable to Rees Pritchard Investor Services Pty Limited.

Newcastle Securities and General Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

NOTE 12: RELATED PARTY DISCLOSURES (CONTINUED)

Rees Pritchard Investor Services Pty Limited

Steven Pritchard, Enzo Pirillo and Brett Hall directors of the Responsible Entity, have an indirect beneficial ownership interest in Rees Pritchard Investor Services Pty Limited.

Rees Pritchard Investor Services Pty Limited provides fund administration services to the Responsible Entity. Transactions with the Responsible Entity are undertaken on normal commercial terms and conditions. Amounts payable to Rees Pritchard Investor Services Pty Limited for the period were:

	30 June 2020	30 June 2019
	\$	\$
Expense recovery fees	6,653	5,590

Loans to directors of the Responsible Entity

The Fund has not made, guaranteed or secured, directly or indirectly, any loans to the directors or their personally-related entities at any time during the reporting period.

Responsible Entity Unitholdings

As at 30 June 2020, the Responsible Entity, held no units in the Fund.

NOTE 13: KEY MANAGEMENT PERSONNEL COMPENSATION

- a. Names and positions held of Directors of the Responsible Entity in office at any time during the financial year are:

Directors:

Steven Shane Pritchard	Director
Enzo Pirillo	Director
Brett Hall	Director

- b. Transactions in units – (includes units both directly and indirectly held)

	Units held as at 1 July 2019	Units redeemed	Units reinvested	Units purchased	Units held as at 30 June 2020
Steven Shane Pritchard	920,874	-	7,504	-	928,378
Enzo Pirillo	797,313	-	6,497	-	803,810
Brett Hall	1,066	-	9	-	1,075

NOTE 14: SUBSEQUENT EVENTS

There were no subsequent events to year-end that require disclosure other than those matters referred to elsewhere in this report.

NOTE 15: CONTINGENCIES

At balance date the Directors are not aware of any other material contingent liabilities or contingent assets other than those already disclosed elsewhere in the financial report.

Newcastle Securities and General Trust

DIRECTORS' DECLARATION

The directors of the trustee company declare that the trust is not a reporting entity and that this special purpose report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In accordance with a resolution of the Board of Directors, the directors of the trustee company declare that:

1. The financial statements and notes as set out on page 4 to 14, present fairly the trust's financial position as at 30 June 2020 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
2. In the trustees' opinion there are reasonable grounds to believe that the trust will be able to pay its debts as and when they become due and payable

Signed in accordance with a resolution of the Directors of the Responsible Entity, Hamilton Asset Management Limited.



Steven Shane Pritchard

16 June 2022

INDEPENDENT AUDIT REPORT TO THE UNITHOLDERS OF NEWCASTLE SECURITIES & GENERAL TRUST

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Newcastle Securities & General Trust (the Trust), which comprises the statement of financial position as at 30 June 2020, 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 a summary of significant accounting policies, and the Directors' declaration. In our opinion, the accompanying financial report of the 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 2020 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure requirements 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 auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Responsible Entity, 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.

Responsibilities of Directors 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 determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the 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 have no realistic alternative but to do so.

PKF (NS) Audit & Assurance Limited Partnership
ABN 91 850 861 839

Liability limited by a scheme approved
under Professional Standards Legislation

Sydney
Level 8, 1 O'Connell Street
Sydney NSW 2000 Australia
GPO Box 5446 Sydney NSW 2001
p +61 2 8346 6000
f +61 2 8346 6099

Newcastle
755 Hunter Street
Newcastle West NSW 2302 Australia
PO Box 2368 Dangar NSW 2309
p +61 2 4962 2688
f +61 2 4962 3245

PKF (NS) Audit & Assurance Limited Partnership is a member firm of the PKF International Limited family of separately owned firms and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm or firms.

For our office locations visit www.pkf.com.au

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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 Trust'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 Trust'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 Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



PKF



MARTIN MATTHEWS
PARTNER

16 JUNE 2022
NEWCASTLE, NSW