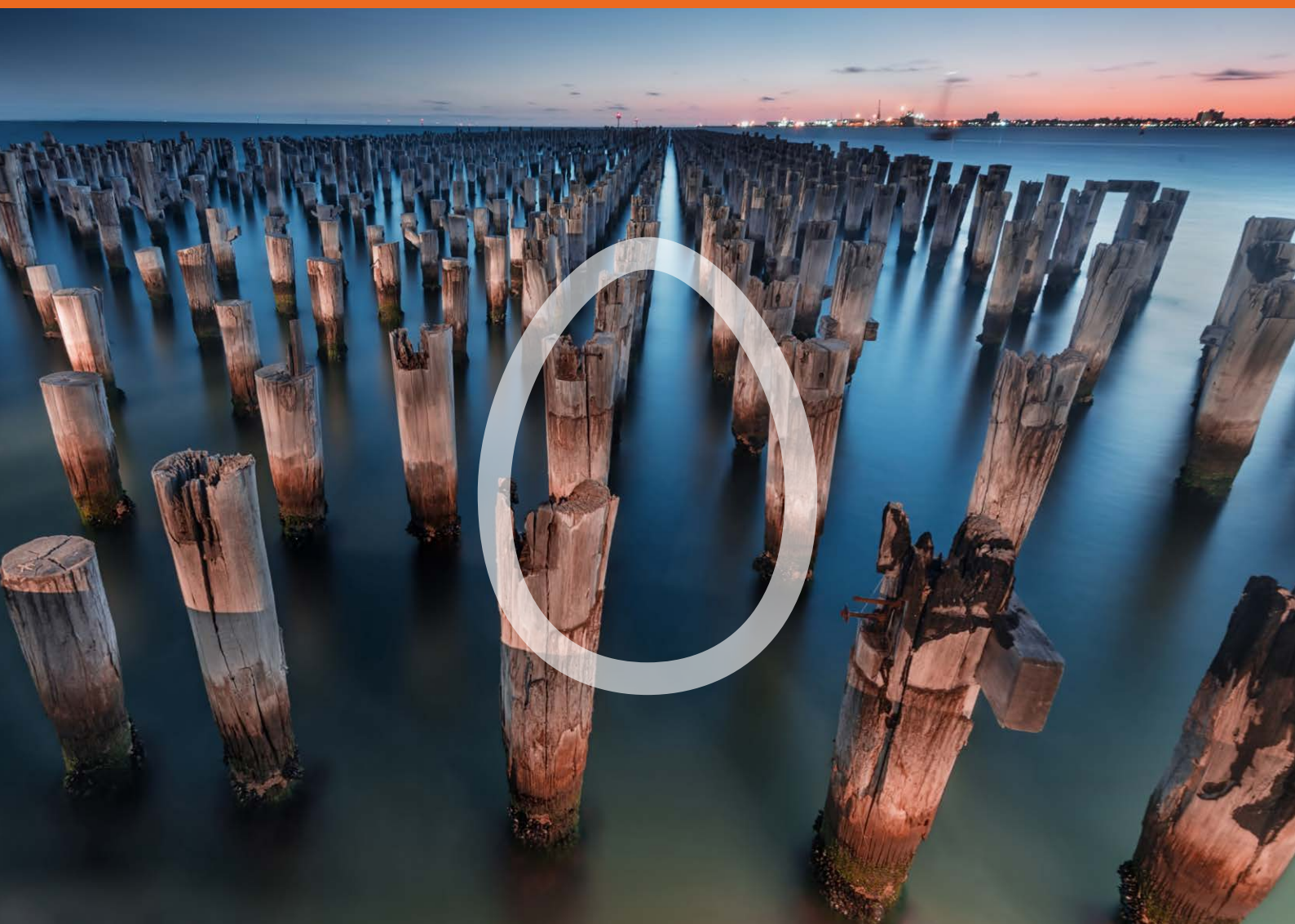




# MLC Investment Trusts

## Financial Report

For the year ended  
30 June 2020



# **MLC Investment Trust**

## **Financial Report**

**For the year ended 30 June 2020**

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The MLC Investment Trust consists of 22 separate schemes:

**Horizon 4 Balanced Portfolio**

ARSN 087 446 375

**Horizon 3 Conservative Growth Portfolio**

ARSN 096 796 379

**Wholesale Income Builder**

ARSN 087 447 265

**MLC Wholesale Inflation Plus - Moderate Portfolio**

ARSN 165 016 151

**Horizon 5 Growth Portfolio**

ARSN 087 446 633

**Horizon 2 Income Portfolio**

ARSN 117 295 584

**MLC Wholesale Inflation Plus - Conservative Portfolio**

ARSN 165 016 035

**Horizon 6 Share Portfolio**

ARSN 096 796 075

**Wholesale Property Securities Fund**

ARSN 087 447 425

**Wholesale Global Share Fund**

ARSN 087 446 875

**MLC Wholesale Australian Share Fund**

ARSN 087 447 078

**MLC Investment Trust MLC Platinum Global Fund**

ARSN 092 475 904

**Horizon 1 Bond Portfolio**

ARSN 117 295 495

**MLC Wholesale Australian Share Index Fund**

ARSN 150 845 971

**Horizon 7 Accelerated Growth Portfolio**

ARSN 102 215 501

**MLC Wholesale Index Plus Conservative Growth Portfolio**

ARSN 618 813 077

**MLC Wholesale Index Plus Balanced Portfolio**

ARSN 618 813 059

**MLC Wholesale Index Plus Growth Portfolio**

ARSN 618 813 282

**MLC Wholesale Inflation Plus - Assertive Portfolio**

ARSN 117 295 315

**MLC Wholesale Diversified Debt Fund**

ARSN 130 171 078

**MLC Global Property Fund**

ARSN 124 947 164

**MLC Hedged Global Share Fund**

ARSN 124 946 998

## Directors' Report

The Directors of MLC Investments Limited, the Responsible Entity of the following schemes (the 'Schemes'):

### Single-class schemes:

Horizon 4 Balanced Portfolio (Horizon 4 Balanced Portfolio')	Horizon 3 Conservative Growth Portfolio (Horizon 3 Conservative Growth Portfolio')
Wholesale Income Builder (Income Builder')	MLC Wholesale Inflation Plus - Moderate Portfolio (Inflation Plus - Moderate Portfolio')
Horizon 5 Growth Portfolio (Horizon 5 Growth Portfolio')	Horizon 2 Income Portfolio (Horizon 2 Income Portfolio')
MLC Wholesale Inflation Plus - Conservative Portfolio (Inflation Plus - Conservative Portfolio')	Horizon 6 Share Portfolio (Horizon 6 Share Portfolio')
Wholesale Property Securities Fund (Property Securities Fund')	Wholesale Global Share Fund (Global Share Fund')
MLC Wholesale Australian Share Fund (Australian Share Fund')	MLC Investment Trust MLC Platinum Global Fund (Platinum Global Fund')
Horizon 1 Bond Portfolio (Horizon 1 Bond Portfolio')	MLC Wholesale Australian Share Index Fund (Australian Share Index Fund')
Horizon 7 Accelerated Growth Portfolio (Horizon 7 Accelerated Growth Portfolio')	MLC Wholesale Index Plus Conservative Growth Portfolio (Index Plus - Conservative Growth Portfolio')
MLC Wholesale Index Plus Balanced Portfolio (Index Plus - Balanced Portfolio')	MLC Wholesale Index Plus Growth Portfolio (Index Plus - Growth Portfolio')

### Multi-class schemes:

MLC Wholesale Inflation Plus - Assertive Portfolio (Inflation Plus - Assertive Portfolio')	MLC Wholesale Diversified Debt Fund (Diversified Debt Fund')
MLC Global Property Fund (Global Property Fund')	MLC Hedged Global Share Fund (Hedged Global Share Fund')

present their report together with the financial report of the Schemes for the year ended 30 June 2020 and the independent audit report thereon.

The Schemes are disclosed in the MLC Investment Trusts' Product Disclosure Statement and therefore they are presented together in this financial report and related notes in accordance with *Corporations Instrument 2015/839*.

## Directors of the Responsible Entity

The names of the persons who were Directors of MLC Investments Limited during or since the year ended 30 June 2020 are as follows:

<b>Name</b>	<b>Appointment/Resignation Date</b>
J G Duffield	Appointed 24 August 2011
P Gupta	Appointed 1 September 2012
C M Keating	Resigned 31 March 2020
G J Mulcahy	Appointed 7 July 2014
K A Watt	Appointed 5 December 2016

The registered office of MLC Investments Limited is located at Ground Floor, MLC Building, 105-153 Miller St, North Sydney NSW 2060.

## Principal activities

The Schemes are unlisted registered managed investment schemes domiciled in Australia.

The Schemes invest and transact in unlisted managed investment schemes in accordance with the provisions of the Constitutions of the Schemes.

The Schemes did not have any employees during the current and previous year.

There have been no significant changes to the activities of the Schemes during the year.

The Schemes are for profit entities for the purposes of preparing financial statements.

## Results and review of operations

The results of the operations of the Schemes are disclosed in the Statements of Profit or Loss and Other Comprehensive Income. These results are affected by the performance of the markets to which the individual Schemes have exposure.

For details in relation to the Schemes' investment exposure and strategy, information can be obtained from the investment fund profiles located on the MLC website at [mlc.com.au](http://mlc.com.au) or alternatively in the Product Disclosure Statements.

## Distributions

The distributions for the year ended 30 June 2020 were as follows:

	\$'000	cents per unit
Horizon 4 Balanced Portfolio	93,176	5.41
Horizon 3 Conservative Growth Portfolio	38,946	4.20
Income Builder	24,211	8.89
Inflation Plus - Moderate Portfolio	29,103	5.66
Horizon 5 Growth Portfolio	9,009	2.14
Horizon 2 Income Portfolio	12,462	3.26
Inflation Plus - Conservative Portfolio	9,337	4.51
Horizon 6 Share Portfolio	17,410	7.50
Property Securities Fund	2,382	1.73
Global Share Fund	9,965	10.32
Australian Share Fund	9,235	6.22
Horizon 1 Bond Portfolio	786	1.60
Australian Share Index Fund	5,278	8.59
Horizon 7 Accelerated Growth Portfolio	3,671	6.43
Index Plus - Conservative Growth Portfolio Class A	3,996	3.09
Index Plus - Balanced Portfolio Class A	5,310	3.77
Index Plus - Growth Portfolio Class A	2,568	3.78
Inflation Plus Assertive Portfolio Class A	24,767	6.63
Inflation Plus Assertive Portfolio Class B	239	5.54
Diversified Debt Fund Class A	4,477	4.28
Diversified Debt Fund Class B	34	2.96
Global Property Fund Class A	-	-
Global Property Fund Class B	-	-
	\$	cents per unit
Platinum Global Fund	19,287,950	48.62
Hedged Global Share Fund Class A	9,700,962	38.46
Hedged Global Share Fund Class B	193,672	12.04

## Units on issue

Units on issue as at year end and movements during the year are shown in Statements of Changes in Unitholders Funds.

The total assets of the Schemes are set out in the Statements of Financial Position. The basis for valuation of the Schemes' assets is disclosed in Note 1 to the financial statements.

## State of affairs

The Responsible Entity's ultimate parent entity National Australia Bank Limited ("NAB") announced on 31 August 2020 the agreement for IOOF to acquire MLC from NAB. The transaction is subject to certain conditions and regulatory approvals; with the ultimate parent entity expected to change when the acquisition is complete. In the opinion of the Directors this transaction does not impact on the Responsible Entity's ability to provide its fiduciary duties.

During the months of March and April 2020 there was a challenging environment with significant market volatility as well as impacts to what was previously considered normal working domain. The pandemic situation continues to evolve with government, business and community responses changing accordingly. MLC is taking sensible actions to ensure it remains fully operational and available to our clients at the same time constantly assessing operational resilience of critical outsourced providers, including but not limited to Investment Managers, Custodians and Administrators and the services they provide. This includes ensuring that the value of certain assets and liabilities recorded in the Statements of Financial Position determined by reference to fair or market values.

The Directors of the Responsible Entity approved commencement of terminations of Hedged Global Share Fund and Platinum Global Fund on 8 August 2019 and 18 September 2019, respectively. The terminations were completed during the financial year. These trusts have become dormant with all investments sold and all monies due returned to unitholders through distributions and final redemptions.

In the opinion of the Responsible Entity, there were no other significant changes in the state of affairs of the Schemes that occurred during the year end unless otherwise disclosed.

## Likely developments

The Schemes will continue to pursue their policy of competitive returns through a selection process that identifies investment managers in each asset class.

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

## Auditor's independence

The Directors received a declaration of independence which was issued in accordance with section 307C of the *Corporations Act 2001* from the auditor of the Schemes, a copy of which is attached to the Directors' report on page 6.

## Events subsequent to the balance date

Between the year end and the date of this report, there has not been any other item, transaction or event of a material and unusual nature that, in the opinion of the Responsible Entity, is likely to significantly affect the operations of the Schemes, the results of those operations, or the state of affairs of the Schemes in future financial years.

## Interests of the Responsible Entity

Units held by MLC Investments Limited and its related parties in the Schemes during the financial year ended 30 June 2020 are detailed in Note 8(h) and Note 8(i) to the financial statements.

Fees paid to the Responsible Entity during the financial year ended 30 June 2020 are detailed in Note 8(e) to the financial statements.

#### **Environmental regulation**

The operations of the Schemes are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

#### **Indemnities and insurance premiums for Officers or Auditors**

##### *Indemnification*

The Schemes have not indemnified or made a relevant agreement for indemnifying against a liability for any person who is or has been an officer of the Responsible Entity or an auditor of the Schemes during the year.

##### *Insurance premiums*

During the year, the ultimate parent company of the Responsible Entity, National Australia Bank Limited, has paid, or agreed to pay, premiums in respect of its officers for liability, legal expenses, insurance contracts, and premiums in respect of such insurance contracts, for the financial year ended 30 June 2020. Such insurance contracts insure against certain liability (subject to specified exclusions) for persons who are or have been the officers of the Responsible Entity.

Details of the nature of the liabilities covered or the amount of the premium paid has not been included as such disclosure is prohibited under the terms of the contracts.

#### **Rounding**

With the exception of Platinum Global Fund and Hedged Share Global Fund, the Schemes meet the criteria set out in *Corporations Instrument 2016/191* issued by the Australian Securities and Investments Commission, and in accordance with that Corporations Instrument, amounts in the financial report and the Directors' report have been rounded off to the nearest thousand dollars unless otherwise stated.

Signed in accordance with a resolution of the Directors of MLC Investments Limited:

Director: \_\_\_\_\_



Garry Mulcahy

Signature: \_\_\_\_\_

Dated at Sydney this 11th day of September 2020



**Building a better  
working world**

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## **Auditor's Independence Declaration to the Directors of MLC Investments Limited, as Responsible Entity for MLC Investment Trust**

As lead auditor for the audit of the financial report of MLC Investment Trust consisting of the Schemes listed below for the financial year ended 30 June 2020, I declare to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.

Wholesale Horizon 4 Balanced Portfolio	MLC Investment Trust MLC Platinum Global Fund
Wholesale Horizon 3 Conservative Growth Portfolio	Wholesale Horizon 1 Bond Portfolio
Wholesale IncomeBuilder™	MLC Wholesale Australian Share Index Fund
MLC Wholesale Inflation Plus - Moderate Portfolio	Wholesale Horizon 7 Accelerated Growth Portfolio
Wholesale Horizon 5 Growth Portfolio	MLC Wholesale Index Plus Conservative Growth Portfolio
Wholesale Horizon 2 Income Portfolio	MLC Wholesale Index Plus Balanced Portfolio
MLC Wholesale Inflation Plus - Conservative Portfolio	MLC Wholesale Index Plus Growth Portfolio
Wholesale Horizon 6 Share Portfolio	MLC Wholesale Inflation Plus - Assertive Portfolio
Wholesale Property Securities Fund	MLC Wholesale Diversified Debt Fund
Wholesale Global Share Fund	Wholesale Global Property Fund
MLC Wholesale Australian Share Fund	MLC Hedged Global Share Fund

Ernst & Young

Darren Handley-Greaves  
Partner  
11 September 2020



**MLC Investment Trust**  
**Statements of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2020**

		<b>Horizon 4 Balanced Portfolio</b>		<b>Horizon 3 Conservative Growth Portfolio</b>		<b>Income Builder</b>		<b>Inflation Plus - Moderate Portfolio</b>	
	Notes	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>
<b>Investment income</b>									
Dividend and distribution income	3, 8(h)	<b>97,350</b>	83,716	<b>31,377</b>	35,375	<b>31,197</b>	46,275	<b>33,822</b>	25,175
Interest income		<b>20</b>	64	<b>6</b>	27	<b>5</b>	22	<b>6</b>	22
Changes in the fair value of financial assets and liabilities at fair value through profit or loss		<b>(171,191)</b>	31,654	<b>(58,554)</b>	9,214	<b>(112,204)</b>	(11,368)	<b>(24,962)</b>	(3,305)
Other revenue	8(e)	<b>12,137</b>	11,842	<b>11,105</b>	9,791	<b>5,133</b>	5,896	<b>-</b>	-
<b>Total investment income/(loss)</b>		<b>(61,684)</b>	127,276	<b>(16,066)</b>	54,407	<b>(75,869)</b>	40,825	<b>8,866</b>	21,892
<b>Expenses</b>									
Responsible Entity's fees	8(e)	<b>-</b>	-	<b>-</b>	-	<b>-</b>	-	<b>2,860</b>	2,677
Other expenses		<b>1</b>	-	<b>1</b>	1	<b>-</b>	1	<b>1</b>	2
<b>Total operating expenses</b>		<b>1</b>	-	<b>1</b>	1	<b>-</b>	1	<b>2,861</b>	2,679
<b>Net profit/(loss)</b>		<b>(61,685)</b>	127,276	<b>(16,067)</b>	54,406	<b>(75,869)</b>	40,824	<b>6,005</b>	19,213
Other comprehensive income		<b>-</b>	-	<b>-</b>	-	<b>-</b>	-	<b>-</b>	-
<b>Total comprehensive income/(loss) for the year</b>		<b>(61,685)</b>	127,276	<b>(16,067)</b>	54,406	<b>(75,869)</b>	40,824	<b>6,005</b>	19,213

		<b>Horizon 5 Growth Portfolio</b>		<b>Horizon 2 Income Portfolio</b>		<b>Inflation Plus - Conservative Portfolio</b>		<b>Horizon 6 Share Portfolio</b>	
	Notes	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>
<b>Investment income</b>									
Dividend and distribution income	3, 8(h)	<b>24,086</b>	13,428	<b>13,690</b>	15,615	<b>10,639</b>	11,417	<b>17,693</b>	17,319
Interest income		<b>5</b>	20	<b>4</b>	14	<b>2</b>	10	<b>3</b>	11
Changes in the fair value of financial assets and liabilities at fair value through profit or loss		<b>(46,167)</b>	16,778	<b>(26,187)</b>	3,310	<b>(7,211)</b>	(2,021)	<b>(31,969)</b>	2,496
Other revenue	8(e)	<b>5,326</b>	4,729	<b>-</b>	-	<b>-</b>	-	<b>2,177</b>	2,045
<b>Total investment income/(loss)</b>		<b>(16,750)</b>	34,955	<b>(12,493)</b>	18,939	<b>3,430</b>	9,406	<b>(12,096)</b>	21,871
<b>Expenses</b>									
Responsible Entity's fees	8(e)	<b>-</b>	-	<b>991</b>	1,139	<b>891</b>	1,230	<b>-</b>	-
Other expenses		<b>1</b>	9	<b>1</b>	2	<b>2</b>	1	<b>-</b>	1
<b>Total operating expenses</b>		<b>1</b>	9	<b>992</b>	1,141	<b>893</b>	1,231	<b>-</b>	1
<b>Net profit/(loss)</b>		<b>(16,751)</b>	34,946	<b>(13,485)</b>	17,798	<b>2,537</b>	8,175	<b>(12,096)</b>	21,870
Other comprehensive income		<b>-</b>	-	<b>-</b>	-	<b>-</b>	-	<b>-</b>	-
<b>Total comprehensive income/(loss) for the year</b>		<b>(16,751)</b>	34,946	<b>(13,485)</b>	17,798	<b>2,537</b>	8,175	<b>(12,096)</b>	21,870

The above Statements of Profit or Loss and Other Comprehensive Income are to be read in conjunction with the accompanying notes.

**MLC Investment Trust**  
**Statements of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2020**

	Notes	Property Securities Fund		Global Share Fund		Australian Share Fund		Platinum Global Fund	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$	2019 \$
<b>Investment income</b>									
Dividend and distribution income	3, 8(h)	2,657	4,151	11,018	11,936	10,676	14,056	-	4,287,013
Interest income		1	3	1	6	2	8	3,569	3,349
Changes in the fair value of financial assets and liabilities at fair value through profit or loss		(22,040)	14,274	(9,528)	(153)	(21,042)	(1,224)	3,892,997	(5,382,406)
Other revenue	8(e)	-	-	-	-	-	-	186,853	426,265
<b>Total investment income/(loss)</b>		<b>(19,382)</b>	<b>18,428</b>	<b>1,491</b>	<b>11,789</b>	<b>(10,364)</b>	<b>12,840</b>	<b>4,083,419</b>	<b>(665,779)</b>
<b>Expenses</b>									
Responsible Entity's fees	8(e)	328	358	470	496	700	693	-	-
Other expenses		-	-	2	1	-	-	-	798
<b>Total operating expenses</b>		<b>328</b>	<b>358</b>	<b>472</b>	<b>497</b>	<b>700</b>	<b>693</b>	<b>-</b>	<b>798</b>
<b>Net profit/(loss)</b>		<b>(19,710)</b>	<b>18,070</b>	<b>1,019</b>	<b>11,292</b>	<b>(11,064)</b>	<b>12,147</b>	<b>4,083,419</b>	<b>(666,577)</b>
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>(19,710)</b>	<b>18,070</b>	<b>1,019</b>	<b>11,292</b>	<b>(11,064)</b>	<b>12,147</b>	<b>4,083,419</b>	<b>(666,577)</b>

	Notes	Horizon 1 Bond Portfolio		Australian Share Index Fund		Horizon 7 Accelerated Growth Portfolio		Index Plus - Conservative Growth Portfolio	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Investment income</b>									
Dividend and distribution income	3, 8(h)	797	1,159	5,339	5,150	6,361	5,681	4,170	2,437
Interest income		1	3	2	6	2	7	2	4
Changes in the fair value of financial assets and liabilities at fair value through profit or loss		(426)	454	(11,975)	3,225	(11,826)	1,856	(4,814)	2,038
Other revenue	8(e)	-	-	-	-	-	-	-	-
<b>Total investment income/(loss)</b>		<b>372</b>	<b>1,616</b>	<b>(6,634)</b>	<b>8,381</b>	<b>(5,463)</b>	<b>7,544</b>	<b>(642)</b>	<b>4,479</b>
<b>Expenses</b>									
Responsible Entity's fees	8(e)	160	176	200	189	533	443	180	112
Other expenses		-	-	-	-	-	-	-	-
<b>Total operating expenses</b>		<b>160</b>	<b>176</b>	<b>200</b>	<b>189</b>	<b>533</b>	<b>443</b>	<b>180</b>	<b>112</b>
<b>Net profit/(loss)</b>		<b>212</b>	<b>1,440</b>	<b>(6,834)</b>	<b>8,192</b>	<b>(5,996)</b>	<b>7,101</b>	<b>(822)</b>	<b>4,367</b>
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>212</b>	<b>1,440</b>	<b>(6,834)</b>	<b>8,192</b>	<b>(5,996)</b>	<b>7,101</b>	<b>(822)</b>	<b>4,367</b>

The above Statements of Profit or Loss and Other Comprehensive Income are to be read in conjunction with the accompanying notes.

**MLC Investment Trust**  
**Statements of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2020**

		<b>Index Plus - Balanced Portfolio</b>		<b>Index Plus - Growth Portfolio</b>	
	Notes	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>
<b>Investment income</b>					
Dividend and distribution income	3, 8(h)	<b>5,391</b>	3,641	<b>2,737</b>	1,581
Interest income		<b>2</b>	4	<b>1</b>	2
Changes in the fair value of financial assets and liabilities at fair value through profit or loss		<b>(7,966)</b>	3,315	<b>(4,766)</b>	2,022
Other revenue	8(e)	<b>-</b>	-	<b>-</b>	-
<b>Total investment income/(loss)</b>		<b>(2,573)</b>	6,960	<b>(2,028)</b>	3,605
<b>Expenses</b>					
Responsible Entity's fees	8(e)	<b>246</b>	183	<b>125</b>	80
Other expenses		<b>1</b>	1	<b>-</b>	-
<b>Total operating expenses</b>		<b>247</b>	184	<b>125</b>	80
<b>Net profit/(loss)</b>		<b>(2,820)</b>	6,776	<b>(2,153)</b>	3,525
Other comprehensive income		<b>-</b>	-	<b>-</b>	-
<b>Total comprehensive income/(loss) for the year</b>		<b>(2,820)</b>	6,776	<b>(2,153)</b>	3,525

The following schemes are multi-class and classify distributions as a finance cost. Refer to Note 1(s).

		<b>Inflation Plus - Assertive Portfolio</b>		<b>Diversified Debt Fund</b>		<b>Global Property Fund</b>		<b>Hedged Global Share Fund</b>	
	Notes	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$</b>	<b>2019 \$</b>
<b>Investment income</b>									
Dividend and distribution income	3, 8(h)	<b>29,421</b>	17,310	<b>4,907</b>	4,454	-	575	-	-
Interest income		<b>3</b>	11	<b>2</b>	7	<b>1</b>	3	<b>5,928</b>	3,089
Changes in the fair value of financial assets and liabilities at fair value through profit or loss		<b>(23,415)</b>	5,858	<b>(769)</b>	4,322	<b>(9,640)</b>	2,749	<b>(1,498,358)</b>	1,562,209
Other revenue	8(e)	<b>-</b>	-	<b>-</b>	-	<b>-</b>	-	<b>-</b>	-
<b>Total investment income/(loss)</b>		<b>6,009</b>	23,179	<b>4,140</b>	8,783	<b>(9,639)</b>	3,327	<b>(1,492,430)</b>	1,565,298
<b>Expenses</b>									
Responsible Entity's fees	8(e)	<b>2,050</b>	2,266	<b>420</b>	459	<b>229</b>	262	<b>13,627</b>	152,057
Other expenses		<b>2</b>	2	<b>1</b>	1	<b>-</b>	-	<b>-</b>	132
<b>Total operating expenses</b>		<b>2,052</b>	2,268	<b>421</b>	460	<b>229</b>	262	<b>13,627</b>	152,189
<b>Net operating profit/(loss)</b>		<b>3,957</b>	20,911	<b>3,719</b>	8,323	<b>(9,868)</b>	3,065	<b>(1,506,057)</b>	1,413,109
<b>Financing costs</b>									
Distributions	1(s), 4	<b>25,006</b>	12,595	<b>4,511</b>	4,006	<b>-</b>	7	<b>9,894,634</b>	-
<b>Net profit/(loss)</b>		<b>(21,049)</b>	8,316	<b>(792)</b>	4,317	<b>(9,868)</b>	3,058	<b>(11,400,691)</b>	1,413,109
Other comprehensive income		<b>-</b>	-	<b>-</b>	-	<b>-</b>	-	<b>-</b>	-
<b>Changes in net assets attributable to unit holders</b>		<b>(21,049)</b>	8,316	<b>(792)</b>	4,317	<b>(9,868)</b>	3,058	<b>(11,400,691)</b>	1,413,109

The above Statements of Profit or Loss and Other Comprehensive Income are to be read in conjunction with the accompanying notes.

**MLC Investment Trust**  
**Statements of Financial Position**  
**As at 30 June 2020**

		<b>Horizon 4 Balanced Portfolio</b>		<b>Horizon 3 Conservative Growth Portfolio</b>		<b>Income Builder</b>		<b>Inflation Plus - Moderate Portfolio</b>	
	Notes	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>
<b>Assets</b>									
Cash and cash equivalents	11(b)	<b>77,383</b>	20,208	<b>33,945</b>	31,922	<b>16,462</b>	32,310	<b>30,502</b>	24,658
Receivables	6	<b>3,170</b>	2,223	<b>895</b>	881	<b>352</b>	486	-	3
Financial assets at fair value through profit or loss	5	<u><b>1,998,241</b></u>	1,999,068	<u><b>1,001,952</b></u>	996,979	<u><b>342,455</b></u>	473,031	<u><b>523,691</b></u>	586,271
<b>Total assets</b>		<u><b>2,078,794</b></u>	2,021,499	<u><b>1,036,792</b></u>	1,029,782	<u><b>359,269</b></u>	505,827	<u><b>554,193</b></u>	610,932
<b>Liabilities</b>									
Payables	7	<b>6</b>	5	<b>5</b>	4	<b>3</b>	2	<b>189</b>	195
Distributions payable	4	<u><b>77,021</b></u>	22,139	<u><b>30,519</b></u>	31,813	<u><b>11,221</b></u>	30,332	<u><b>27,457</b></u>	21,972
<b>Total liabilities</b>		<u><b>77,027</b></u>	22,144	<u><b>30,524</b></u>	31,817	<u><b>11,224</b></u>	30,334	<u><b>27,646</b></u>	22,167
<b>Unitholders funds - equity</b>		<u><b>2,001,767</b></u>	1,999,355	<u><b>1,006,268</b></u>	997,965	<u><b>348,045</b></u>	475,493	<u><b>526,547</b></u>	588,765
		<b>Horizon 5 Growth Portfolio</b>		<b>Horizon 2 Income Portfolio</b>		<b>Inflation Plus - Conservative Portfolio</b>		<b>Horizon 6 Share Portfolio</b>	
		<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>
<b>Assets</b>									
Cash and cash equivalents	11(b)	<b>6,809</b>	6,448	<b>10,151</b>	10,163	<b>8,979</b>	8,868	<b>16,913</b>	16,598
Receivables	6	<b>424</b>	419	<b>63</b>	285	-	1	<b>291</b>	253
Financial assets at fair value through profit or loss	5	<u><b>508,008</b></u>	503,989	<u><b>371,426</b></u>	404,809	<u><b>209,643</b></u>	276,695	<u><b>257,539</b></u>	268,525
<b>Total assets</b>		<u><b>515,241</b></u>	510,856	<u><b>381,640</b></u>	415,257	<u><b>218,622</b></u>	285,564	<u><b>274,743</b></u>	285,376
<b>Liabilities</b>									
Payables	7	<b>20</b>	20	<b>58</b>	71	<b>54</b>	85	<b>2</b>	2
Distributions payable	4	<u><b>4,903</b></u>	5,618	<u><b>9,550</b></u>	9,785	<u><b>8,212</b></u>	8,832	<u><b>17,410</b></u>	19,402
<b>Total liabilities</b>		<u><b>4,923</b></u>	5,638	<u><b>9,608</b></u>	9,856	<u><b>8,266</b></u>	8,917	<u><b>17,412</b></u>	19,404
<b>Unitholders funds - equity</b>		<u><b>510,318</b></u>	505,218	<u><b>372,032</b></u>	405,401	<u><b>210,356</b></u>	276,647	<u><b>257,331</b></u>	265,972

The above Statements of Financial Position are to be read in conjunction with the accompanying notes.

**MLC Investment Trust**  
**Statements of Financial Position**  
**As at 30 June 2020**

		<b>Property Securities Fund</b>		<b>Global Share Fund</b>		<b>Australian Share Fund</b>		<b>Platinum Global Fund</b>	
	Notes	<b>2020</b>	2019	<b>2020</b>	2019	<b>2020</b>	2019	<b>2020</b>	2019
		<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$</b>	\$
<b>Assets</b>									
Cash and cash equivalents	11(b)	<b>180</b>	994	<b>9,756</b>	9,601	<b>4,092</b>	3,279	-	8,454,605
Receivables	6	-	-	-	1	-	1	-	28,909
Financial assets at fair value through profit or loss	5	<b>79,763</b>	114,966	<b>86,594</b>	109,754	<b>130,177</b>	149,274	-	50,129,403
<b>Total assets</b>		<b>79,943</b>	115,960	<b>96,350</b>	119,356	<b>134,269</b>	152,554	-	58,612,917
<b>Liabilities</b>									
Payables	7	<b>13</b>	21	<b>31</b>	36	<b>48</b>	53	-	445
Distributions payable	4	<b>13</b>	1,068	<b>9,965</b>	9,573	<b>6,336</b>	6,463	-	8,400,263
<b>Total liabilities</b>		<b>26</b>	1,089	<b>9,996</b>	9,609	<b>6,384</b>	6,516	-	8,400,708
<b>Unitholders funds - equity</b>		<b>79,917</b>	114,871	<b>86,354</b>	109,747	<b>127,885</b>	146,038	-	50,212,209

		<b>Horizon 1 Bond Portfolio</b>		<b>Australian Share Index Fund</b>		<b>Horizon 7 Accelerated Growth Portfolio</b>		<b>Index Plus - Conservative Growth Portfolio</b>	
	Notes	<b>2020</b>	2019	<b>2020</b>	2019	<b>2020</b>	2019	<b>2020</b>	2019
		<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
<b>Assets</b>									
Cash and cash equivalents	11(b)	<b>631</b>	753	<b>3,310</b>	1,720	<b>4,751</b>	2,604	<b>4,771</b>	1,304
Receivables	6	<b>26</b>	70	-	-	-	-	<b>1,129</b>	463
Financial assets at fair value through profit or loss	5	<b>48,118</b>	53,768	<b>74,489</b>	84,176	<b>84,600</b>	79,824	<b>136,189</b>	86,336
<b>Total assets</b>		<b>48,775</b>	54,591	<b>77,799</b>	85,896	<b>89,351</b>	82,428	<b>142,089</b>	88,103
<b>Liabilities</b>									
Payables	7	<b>11</b>	12	<b>12</b>	14	<b>39</b>	33	<b>10</b>	10
Distributions payable	4	<b>499</b>	421	<b>3,276</b>	1,758	<b>3,671</b>	1,979	<b>3,175</b>	1,358
<b>Total liabilities</b>		<b>510</b>	433	<b>3,288</b>	1,772	<b>3,710</b>	2,012	<b>3,185</b>	1,368
<b>Unitholders funds - equity</b>		<b>48,265</b>	54,158	<b>74,511</b>	84,124	<b>85,641</b>	80,416	<b>138,904</b>	86,735

The above Statements of Financial Position are to be read in conjunction with the accompanying notes.

		Index Plus - Balanced Portfolio		Index Plus - Growth Portfolio	
	Notes	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Assets</b>					
Cash and cash equivalents	11(b)	4,672	1,945	2,088	638
Receivables	6	1,867	786	1,067	390
Financial assets at fair value through profit or loss	5	<u>148,167</u>	<u>101,730</u>	<u>72,173</u>	<u>44,646</u>
<b>Total assets</b>		<u>154,706</u>	<u>104,461</u>	<u>75,328</u>	<u>45,674</u>
<b>Liabilities</b>					
Payables	7	13	15	6	7
Distributions payable	4	<u>4,277</u>	<u>1,814</u>	<u>2,141</u>	<u>850</u>
<b>Total liabilities</b>		<u>4,290</u>	<u>1,829</u>	<u>2,147</u>	<u>857</u>
<b>Unitholders funds - equity</b>		<u>150,416</u>	<u>102,632</u>	<u>73,181</u>	<u>44,817</u>

The following schemes are multi-class and classify net assets attributable to unitholders as liability. Refer to Note 1(s).

		Inflation Plus - Assertive Portfolio		Diversified Debt Fund		Global Property Fund		Hedged Global Share Fund	
	Notes	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$	2019 \$
<b>Assets</b>									
Cash and cash equivalents	11(b)	27,656	13,648	3,778	2,474	151	287	-	301,966
Receivables	6	-	1	1	2	1	1	-	157
Financial assets at fair value through profit or loss	5	<u>339,000</u>	<u>404,335</u>	<u>105,500</u>	<u>119,958</u>	<u>41,060</u>	<u>57,444</u>	<u>-</u>	<u>29,550,336</u>
<b>Total assets</b>		<u>366,656</u>	<u>417,984</u>	<u>109,279</u>	<u>122,434</u>	<u>41,212</u>	<u>57,732</u>	<u>-</u>	<u>29,852,459</u>
<b>Liabilities</b>									
Payables	7	136	144	29	29	15	17	-	9,796
Distributions payable	4	<u>25,006</u>	<u>12,595</u>	<u>3,305</u>	<u>1,799</u>	<u>-</u>	<u>7</u>	<u>-</u>	<u>-</u>
<b>Total liabilities excluding net assets attributable to unitholders</b>		<u>25,142</u>	<u>12,739</u>	<u>3,334</u>	<u>1,828</u>	<u>15</u>	<u>24</u>	<u>-</u>	<u>9,796</u>
<b>Net assets attributable to unitholders - liability</b>		<u>341,514</u>	<u>405,245</u>	<u>105,945</u>	<u>120,606</u>	<u>41,197</u>	<u>57,708</u>	<u>-</u>	<u>29,842,663</u>

The above Statements of Financial Position are to be read in conjunction with the accompanying notes.

**MLC Investment Trust**  
**Statements of Changes in Unitholders Funds**  
**For the year ended 30 June 2020**

	<b>Horizon 4 Balanced Portfolio</b>		<b>Horizon 3 Conservative Growth Portfolio</b>		<b>Income Builder</b>		<b>Inflation Plus - Moderate Portfolio</b>	
	\$'000	No. of units '000	\$'000	No. of units '000	\$'000	No. of units '000	\$'000	No. of units '000
<b>Unitholders funds at 30 June 2018 - equity</b>	1,734,736	1,448,973	901,296	797,864	527,506	312,044	623,554	578,550
Net profit/(loss)	127,276	-	54,406	-	40,824	-	19,213	-
Applications	458,860	380,754	264,308	232,534	64,622	38,396	114,542	105,338
Redemptions	(271,118)	(225,473)	(177,943)	(156,418)	(111,028)	(66,163)	(146,572)	(134,581)
Distributions paid/payable	(50,399)	-	(44,102)	-	(46,431)	-	(21,972)	-
<b>Unitholders funds at 30 June 2019 - equity</b>	<u>1,999,355</u>	<u>1,604,254</u>	<u>997,965</u>	<u>873,980</u>	<u>475,493</u>	<u>284,277</u>	<u>588,765</u>	<u>549,307</u>
<b>Unitholders funds at 30 June 2019 - equity</b>	<b>1,999,355</b>	<b>1,604,254</b>	<b>997,965</b>	<b>873,980</b>	<b>475,493</b>	<b>284,277</b>	<b>588,765</b>	<b>549,307</b>
Net profit/(loss)	(61,685)	-	(16,067)	-	(75,869)	-	6,005	-
Applications	488,719	391,669	255,537	223,472	68,504	42,971	111,143	102,792
Redemptions	(331,446)	(268,985)	(192,221)	(169,824)	(95,872)	(61,337)	(150,263)	(138,887)
Distributions paid/payable	(93,176)	-	(38,946)	-	(24,211)	-	(29,103)	-
<b>Unitholders funds at 30 June 2020 - equity</b>	<u>2,001,767</u>	<u>1,726,938</u>	<u>1,006,268</u>	<u>927,628</u>	<u>348,045</u>	<u>265,911</u>	<u>526,547</u>	<u>513,212</u>

	<b>Horizon 5 Growth Portfolio</b>		<b>Horizon 2 Income Portfolio</b>		<b>Inflation Plus - Conservative Portfolio</b>		<b>Horizon 6 Share Portfolio</b>	
	\$'000	No. of units '000	\$'000	No. of units '000	\$'000	No. of units '000	\$'000	No. of units '000
<b>Unitholders funds at 30 June 2018 - equity</b>	454,720	375,255	418,580	403,881	324,715	302,944	256,715	210,114
Net profit/(loss)	34,946	-	17,798	-	8,175	-	21,870	-
Applications	147,562	121,121	96,522	92,447	36,520	33,829	50,175	40,599
Redemptions	(119,286)	(97,935)	(112,913)	(108,039)	(82,403)	(76,246)	(43,386)	(35,137)
Distributions paid/payable	(12,724)	-	(14,586)	-	(10,360)	-	(19,402)	-
<b>Unitholders funds at 30 June 2019 - equity</b>	<u>505,218</u>	<u>398,441</u>	<u>405,401</u>	<u>388,289</u>	<u>276,647</u>	<u>260,527</u>	<u>265,972</u>	<u>215,576</u>
<b>Unitholders funds at 30 June 2019 - equity</b>	<b>505,218</b>	<b>398,441</b>	<b>405,401</b>	<b>388,289</b>	<b>276,647</b>	<b>260,527</b>	<b>265,972</b>	<b>215,576</b>
Net profit/(loss)	(16,751)	-	(13,485)	-	2,537	-	(12,096)	-
Applications	130,682	103,191	83,384	80,123	31,027	29,038	67,602	54,900
Redemptions	(99,822)	(78,950)	(90,806)	(87,919)	(90,518)	(84,780)	(46,737)	(38,341)
Distributions paid/payable	(9,009)	-	(12,462)	-	(9,337)	-	(17,410)	-
<b>Unitholders funds at 30 June 2020 - equity</b>	<u>510,318</u>	<u>422,682</u>	<u>372,032</u>	<u>380,493</u>	<u>210,356</u>	<u>204,785</u>	<u>257,331</u>	<u>232,135</u>

	<b>Property Securities Fund</b>		<b>Global Share Fund</b>		<b>Australian Share Fund</b>		<b>Platinum Global Fund</b>	
	\$'000	No. of units '000	\$'000	No. of units '000	\$'000	No. of units '000	\$	No. of units
<b>Unitholders funds at 30 June 2018 - equity</b>	125,184	181,069	111,239	113,323	138,603	138,017	69,356,698	62,976,892
Net profit/(loss)	18,070	-	11,292	-	12,147	-	(666,577)	-
Applications	8,424	11,775	20,391	20,528	28,527	28,858	811,969	741,851
Redemptions	(33,003)	(46,675)	(23,602)	(23,313)	(20,172)	(20,665)	(10,889,618)	(10,281,958)
Distributions paid/payable	(3,804)	-	(9,573)	-	(13,067)	-	(8,400,263)	-
<b>Unitholders funds at 30 June 2019 - equity</b>	<u>114,871</u>	<u>146,169</u>	<u>109,747</u>	<u>110,538</u>	<u>146,038</u>	<u>146,210</u>	<u>50,212,209</u>	<u>53,436,785</u>
<b>Unitholders funds at 30 June 2019 - equity</b>	<b>114,871</b>	<b>146,169</b>	<b>109,747</b>	<b>110,538</b>	<b>146,038</b>	<b>146,210</b>	<b>50,212,209</b>	<b>53,436,785</b>
Net profit/(loss)	(19,710)	-	1,019	-	(11,064)	-	4,083,419	-
Applications	10,249	13,777	16,912	16,705	20,724	20,846	459,198	490,548
Redemptions	(23,111)	(30,674)	(31,359)	(30,686)	(18,578)	(19,014)	(35,466,876)	(53,927,333)
Distributions paid/payable	(2,382)	-	(9,965)	-	(9,235)	-	(19,287,950)	-
<b>Unitholders funds at 30 June 2020 - equity</b>	<u>79,917</u>	<u>129,272</u>	<u>86,354</u>	<u>96,557</u>	<u>127,885</u>	<u>148,042</u>	<u>-</u>	<u>-</u>

The above Statements of Changes in Unitholders Funds are to be read in conjunction with the accompanying notes.

**MLC Investment Trust**  
**Statements of Changes in Unitholders Funds**  
**For the year ended 30 June 2020**

	<b>Horizon 1 Bond Portfolio</b>		<b>Australian Share Index Fund</b>		<b>Horizon 7 Accelerated Growth Portfolio</b>		<b>Index Plus - Conservative Growth Portfolio Class A</b>	
	\$'000	No. of units '000	\$'000	No. of units '000	\$'000	No. of units '000	\$'000	No. of units '000
<b>Unitholders funds at 30 June 2018 - equity</b>	62,103	61,469	78,038	57,207	64,686	41,259	46,668	45,087
Net profit/(loss)	1,440	-	8,192	-	7,101	-	4,367	-
Applications	7,411	7,305	17,997	13,432	20,431	12,875	46,969	44,653
Redemptions	(15,756)	(15,519)	(14,774)	(11,059)	(9,823)	(6,220)	(8,866)	(8,441)
Distributions paid/payable	(1,040)	-	(5,329)	-	(1,979)	-	(2,403)	-
<b>Unitholders funds at 30 June 2019 - equity</b>	<u>54,158</u>	<u>53,255</u>	<u>84,124</u>	<u>59,580</u>	<u>80,416</u>	<u>47,914</u>	<u>86,735</u>	<u>81,299</u>
<b>Unitholders funds at 30 June 2019 - equity</b>	<b>54,158</b>	<b>53,255</b>	<b>84,124</b>	<b>59,580</b>	<b>80,416</b>	<b>47,914</b>	<b>86,735</b>	<b>81,299</b>
Net profit/(loss)	212	-	(6,834)	-	(5,996)	-	(822)	-
Applications	11,078	10,870	15,143	11,057	32,831	20,227	73,198	67,768
Redemptions	(16,397)	(16,142)	(12,644)	(9,284)	(17,939)	(11,054)	(16,211)	(15,086)
Distributions paid/payable	(786)	-	(5,278)	-	(3,671)	-	(3,996)	-
<b>Unitholders funds at 30 June 2020 - equity</b>	<u>48,265</u>	<u>47,983</u>	<u>74,511</u>	<u>61,353</u>	<u>85,641</u>	<u>57,087</u>	<u>138,904</u>	<u>133,981</u>

	<b>Index Plus - Balanced Portfolio Class A</b>		<b>Index Plus - Growth Portfolio Class A</b>	
	\$'000	No. of units '000	\$'000	No. of units '000
<b>Unitholders funds at 30 June 2018 - equity</b>	72,125	68,888	22,248	21,340
Net profit/(loss)	6,776	-	3,525	-
Applications	47,401	44,532	22,577	21,004
Redemptions	(20,127)	(18,960)	(1,986)	(1,851)
Distributions paid/payable	(3,543)	-	(1,547)	-
<b>Unitholders funds at 30 June 2019 - equity</b>	<u>102,632</u>	<u>94,460</u>	<u>44,817</u>	<u>40,493</u>
<b>Unitholders funds at 30 June 2019 - equity</b>	<b>102,632</b>	<b>94,460</b>	<b>44,817</b>	<b>40,493</b>
Net profit/(loss)	(2,820)	-	(2,153)	-
Applications	87,381	79,597	39,694	35,598
Redemptions	(31,467)	(29,087)	(6,609)	(6,118)
Distributions paid/payable	(5,310)	-	(2,568)	-
<b>Unitholders funds at 30 June 2020 - equity</b>	<u>150,416</u>	<u>144,970</u>	<u>73,181</u>	<u>69,973</u>

The above Statements of Changes in Unitholders Funds are to be read in conjunction with the accompanying notes.



**MLC Investment Trust**  
**Statements of Changes in Unitholders Funds**  
**For the year ended 30 June 2020**

The following schemes are multi-class and classify net assets attributable to unitholders as liability. Refer to Note 1(s).

	<b>Inflation Plus - Assertive Portfolio Class A</b>		<b>Inflation Plus - Assertive Portfolio Class B</b>		<b>Diversified Debt Fund Class A</b>		<b>Diversified Debt Fund Class B</b>	
	\$'000	No. of units '000	\$'000	No. of units '000	\$'000	No. of units '000	\$'000	No. of units '000
<b>Unitholders funds at 30 June 2018 - liability</b>	427,414	453,140	3,843	4,011	142,054	142,811	1,974	1,987
Applications	68,734	71,843	558	588	14,456	14,362	220	221
Redemptions	(102,667)	(107,118)	(952)	(980)	(41,646)	(41,489)	(769)	(769)
Change in net assets attributable to unitholders	8,224	-	92	-	4,258	-	59	-
<b>Unitholders funds at 30 June 2019 - liability</b>	401,705	417,865	3,541	3,619	119,122	115,684	1,484	1,439
<b>Unitholders funds at 30 June 2019 - liability</b>	401,705	417,865	3,541	3,619	119,122	115,684	1,484	1,439
Applications	67,327	68,754	1,007	1,059	20,366	19,515	167	162
Redemptions	(110,643)	(113,062)	(374)	(373)	(33,948)	(32,620)	(454)	(439)
Change in net assets attributable to unitholders	(20,825)	-	(224)	-	(789)	-	(3)	-
<b>Unitholders funds at 30 June 2020 - liability</b>	337,564	373,557	3,950	4,305	104,751	102,579	1,194	1,162

	<b>Global Property Fund Class A</b>		<b>Global Property Fund Class B</b>		<b>Hedged Global Share Fund Class A</b>		<b>Hedged Global Share Fund Class B</b>	
	\$'000	No. of units '000	\$'000	No. of units '000	\$	No. of units	\$	No. of units
<b>Unitholders funds at 30 June 2018 - liability</b>	63,303	85,355	3,226	3,935	30,174,738	28,401,428	1,536,655	1,580,296
Applications	4,623	6,164	94	112	2,411,713	2,270,642	88,287	90,782
Redemptions	(15,853)	(20,966)	(740)	(889)	(5,744,198)	(5,402,161)	(37,652)	(39,327)
Change in net assets attributable to unitholders	2,949	-	109	-	1,349,040	-	64,069	-
<b>Unitholders funds at 30 June 2019 - liability</b>	55,022	70,553	2,689	3,158	28,191,293	25,269,909	1,651,359	1,631,751
<b>Unitholders funds at 30 June 2019 - liability</b>	55,022	70,553	2,689	3,158	28,191,293	25,269,909	1,651,359	1,631,751
Applications	4,166	5,531	58	71	329,410	293,402	835	813
Redemptions	(10,374)	(13,617)	(496)	(617)	(17,396,090)	(25,563,311)	(1,376,116)	(1,632,564)
Change in net assets attributable to unitholders	(9,397)	-	(471)	-	(11,124,613)	-	(276,078)	-
<b>Unitholders funds at 30 June 2020 - liability</b>	39,417	62,467	1,780	2,612	-	-	-	-

The above Statements of Changes in Unitholders Funds are to be read in conjunction with the accompanying notes.

**MLC Investment Trust**  
**Statements of Cash Flows**  
For the year ended 30 June 2020

		<b>Horizon 4 Balanced Portfolio</b>		<b>Horizon 3 Conservative Growth Portfolio</b>		<b>Income Builder</b>		<b>Inflation Plus - Moderate Portfolio</b>	
		<b>2020</b>	2019	<b>2020</b>	2019	<b>2020</b>	2019	<b>2020</b>	2019
	Notes	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000
<b>Cash flows from operating activities</b>									
Dividend and distribution income received		-	-	-	-	-	-	-	-
Interest received		26	64	9	27	7	21	9	22
Other income received		12,216	13,407	11,088	10,955	5,264	6,981	-	-
Responsible Entity's fees paid		-	-	-	-	-	-	(2,865)	(2,654)
Other expenses paid		-	-	-	-	-	-	(1)	-
<b>Net cash provided by/(used in) operating activities</b>	11(a)	<b>12,242</b>	13,471	<b>11,097</b>	10,982	<b>5,271</b>	7,002	<b>(2,857)</b>	(2,632)
<b>Cash flows from investing activities</b>									
Proceeds from sale of investments		171,563	66,334	82,870	75,090	68,190	96,180	81,890	72,871
Purchases of investments		(245,608)	(222,396)	(115,020)	(129,520)	(18,620)	(10,340)	(10,450)	(16,330)
<b>Net cash (used in)/provided by investing activities</b>		<b>(74,045)</b>	(156,062)	<b>(32,150)</b>	(54,430)	<b>49,570</b>	85,840	<b>71,440</b>	56,541
<b>Cash flows from financing activities</b>									
Applications received		481,332	449,159	252,750	261,401	67,087	63,849	110,818	114,372
Redemptions paid		(331,447)	(271,117)	(192,221)	(177,943)	(95,871)	(111,028)	(150,264)	(146,573)
Distributions paid		(30,907)	(34,353)	(37,453)	(36,030)	(41,905)	(30,304)	(23,293)	(15,276)
<b>Net cash provided by/(used in) financing activities</b>		<b>118,978</b>	143,689	<b>23,076</b>	47,428	<b>(70,689)</b>	(77,483)	<b>(62,739)</b>	(47,477)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>57,175</b>	1,098	<b>2,023</b>	3,980	<b>(15,848)</b>	15,359	<b>5,844</b>	6,432
Cash and cash equivalents at the beginning of the financial year		20,208	19,110	31,922	27,942	32,310	16,951	24,658	18,226
<b>Cash and cash equivalents at end of financial year</b>	11(b)	<b>77,383</b>	20,208	<b>33,945</b>	31,922	<b>16,462</b>	32,310	<b>30,502</b>	24,658

The above Statements of Cash Flows are to be read in conjunction with the accompanying notes.

**MLC Investment Trust**  
**Statements of Cash Flows**  
For the year ended 30 June 2020

		<b>Horizon 5 Growth Portfolio</b>		<b>Horizon 2 Income Portfolio</b>		<b>Inflation Plus - Conservative Portfolio</b>		<b>Horizon 6 Share Portfolio</b>	
	Notes	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>	<b>2020 \$'000</b>	<b>2019 \$'000</b>
<b>Cash flows from operating activities</b>									
Dividend and distribution income received		-	-	-	-	-	-	-	-
Interest received		6	20	6	14	4	10	6	10
Other income received		5,320	5,336	-	-	-	-	2,184	2,363
Responsible Entity's fees paid		-	-	(1,006)	(1,168)	(924)	(1,228)	-	-
Other expenses paid		-	-	-	-	-	-	-	-
<b>Net cash provided by/(used in) operating activities</b>	11(a)	<b>5,326</b>	<b>5,356</b>	<b>(1,000)</b>	<b>(1,154)</b>	<b>(920)</b>	<b>(1,218)</b>	<b>2,189</b>	<b>2,373</b>
<b>Cash flows from investing activities</b>									
Proceeds from sale of investments		30,360	50,160	95,146	59,258	75,480	61,473	22,970	27,137
Purchases of investments		(56,460)	(70,720)	(74,040)	(33,544)	(5,000)	(3,910)	(26,306)	(20,311)
<b>Net cash (used in)/provided by investing activities</b>		<b>(26,100)</b>	<b>(20,560)</b>	<b>21,106</b>	<b>25,714</b>	<b>70,480</b>	<b>57,563</b>	<b>(3,336)</b>	<b>6,826</b>
<b>Cash flows from financing activities</b>									
Applications received		130,122	146,314	81,863	94,476	30,974	36,470	64,495	49,490
Redemptions paid		(99,822)	(119,286)	(90,805)	(112,913)	(90,520)	(82,402)	(46,738)	(43,384)
Distributions paid		(9,165)	(9,986)	(11,176)	(12,974)	(9,903)	(6,022)	(16,295)	(3,518)
<b>Net cash provided by/(used in) financing activities</b>		<b>21,135</b>	<b>17,042</b>	<b>(20,118)</b>	<b>(31,411)</b>	<b>(69,449)</b>	<b>(51,954)</b>	<b>1,462</b>	<b>2,588</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>361</b>	<b>1,838</b>	<b>(12)</b>	<b>(6,851)</b>	<b>111</b>	<b>4,391</b>	<b>315</b>	<b>11,787</b>
Cash and cash equivalents at the beginning of the financial year		6,448	4,610	10,163	17,014	8,868	4,477	16,598	4,811
<b>Cash and cash equivalents at end of financial year</b>	11(b)	<b>6,809</b>	<b>6,448</b>	<b>10,151</b>	<b>10,163</b>	<b>8,979</b>	<b>8,868</b>	<b>16,913</b>	<b>16,598</b>

The above Statements of Cash Flows are to be read in conjunction with the accompanying notes.

**MLC Investment Trust**  
**Statements of Cash Flows**  
For the year ended 30 June 2020

		<b>Property Securities Fund</b>		<b>Global Share Fund</b>		<b>Australian Share Fund</b>		<b>Platinum Global Fund</b>	
	Notes	<b>2020</b>	2019	<b>2020</b>	2019	<b>2020</b>	2019	<b>2020</b>	2019
		<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$'000</b>	\$'000	<b>\$</b>	\$
<b>Cash flows from operating activities</b>									
Dividend and distribution income received		-	-	-	-	-	-	-	-
Interest received		<b>1</b>	3	<b>2</b>	6	<b>2</b>	8	<b>4,225</b>	3,764
Other income received		-	-	-	-	-	-	<b>203,609</b>	545,180
Responsible Entity's fees paid		<b>(337)</b>	(359)	<b>(476)</b>	(496)	<b>(706)</b>	(690)	-	-
Other expenses paid		-	-	<b>(3)</b>	-	-	-	<b>11,052</b>	(702)
<b>Net cash provided by/(used in) operating activities</b>	11(a)	<b>(336)</b>	(356)	<b>(477)</b>	(490)	<b>(704)</b>	(682)	<b>218,886</b>	548,242
<b>Cash flows from investing activities</b>									
Proceeds from sale of investments		<b>17,530</b>	28,982	<b>32,600</b>	25,122	<b>12,000</b>	12,684	<b>54,407,525</b>	21,663,000
Purchases of investments		<b>(1,710)</b>	-	<b>(7,950)</b>	(9,116)	<b>(3,269)</b>	(5,152)	<b>(385,125)</b>	-
<b>Net cash (used in)/provided by investing activities</b>		<b>15,820</b>	28,982	<b>24,650</b>	16,006	<b>8,731</b>	7,532	<b>54,022,400</b>	21,663,000
<b>Cash flows from financing activities</b>									
Applications received		<b>9,641</b>	7,563	<b>15,718</b>	17,919	<b>15,592</b>	18,518	-	-
Redemptions paid		<b>(23,109)</b>	(33,003)	<b>(31,359)</b>	(23,601)	<b>(18,577)</b>	(20,172)	<b>(35,466,876)</b>	(10,889,619)
Distributions paid		<b>(2,830)</b>	(3,505)	<b>(8,377)</b>	(19,988)	<b>(4,229)</b>	(7,457)	<b>(27,229,015)</b>	(15,732,061)
<b>Net cash provided by/(used in) financing activities</b>		<b>(16,298)</b>	(28,945)	<b>(24,018)</b>	(25,670)	<b>(7,214)</b>	(9,111)	<b>(62,695,891)</b>	(26,621,680)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(814)</b>	(319)	<b>155</b>	(10,154)	<b>813</b>	(2,261)	<b>(8,454,605)</b>	(4,410,438)
Cash and cash equivalents at the beginning of the financial year		<b>994</b>	1,313	<b>9,601</b>	19,755	<b>3,279</b>	5,540	<b>8,454,605</b>	12,865,043
<b>Cash and cash equivalents at end of financial year</b>	11(b)	<b>180</b>	994	<b>9,756</b>	9,601	<b>4,092</b>	3,279	-	8,454,605

The above Statements of Cash Flows are to be read in conjunction with the accompanying notes.

**MLC Investment Trust**  
**Statements of Cash Flows**  
For the year ended 30 June 2020

		<b>Horizon 1 Bond Portfolio</b>		<b>Australian Share Index Fund</b>		<b>Horizon 7 Accelerated Growth Portfolio</b>		<b>Index Plus - Conservative Growth Portfolio</b>	
		<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	Notes	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>									
Dividend and distribution income received		-	-	-	-	-	-	-	21
Interest received		1	3	4	7	2	7	2	3
Other income received		-	-	-	-	-	-	-	-
Responsible Entity's fees paid		(162)	(176)	(202)	(189)	(527)	(440)	(181)	(106)
Other expenses paid		-	-	-	-	-	-	-	-
<b>Net cash provided by/(used in) operating activities</b>	11(a)	<b>(161)</b>	<b>(173)</b>	<b>(198)</b>	<b>(182)</b>	<b>(525)</b>	<b>(433)</b>	<b>(179)</b>	<b>(82)</b>
<b>Cash flows from investing activities</b>									
Proceeds from sale of investments		10,812	11,565	7,760	9,878	7,082	6,820	14,365	7,718
Purchases of investments		(4,747)	(1,986)	(4,710)	(7,586)	(17,322)	(15,306)	(65,527)	(43,377)
<b>Net cash provided by/(used in) investing activities</b>		<b>6,065</b>	<b>9,579</b>	<b>3,050</b>	<b>2,292</b>	<b>(10,240)</b>	<b>(8,486)</b>	<b>(51,162)</b>	<b>(35,659)</b>
<b>Cash flows from financing activities</b>									
Applications received		11,002	7,279	14,675	16,991	32,810	20,421	72,783	46,544
Redemptions paid		(16,397)	(15,756)	(12,646)	(14,773)	(17,940)	(9,821)	(16,212)	(8,866)
Distributions paid		(631)	(1,182)	(3,291)	(6,742)	(1,958)	(638)	(1,763)	(1,630)
<b>Net cash (used in)/provided by financing activities</b>		<b>(6,026)</b>	<b>(9,659)</b>	<b>(1,262)</b>	<b>(4,524)</b>	<b>12,912</b>	<b>9,962</b>	<b>54,808</b>	<b>36,048</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(122)</b>	<b>(253)</b>	<b>1,590</b>	<b>(2,414)</b>	<b>2,147</b>	<b>1,043</b>	<b>3,467</b>	<b>307</b>
Cash and cash equivalents at the beginning of the financial year		753	1,006	1,720	4,134	2,604	1,561	1,304	997
<b>Cash and cash equivalents at end of financial year</b>	11(b)	<b>631</b>	<b>753</b>	<b>3,310</b>	<b>1,720</b>	<b>4,751</b>	<b>2,604</b>	<b>4,771</b>	<b>1,304</b>

The above Statements of Cash Flows are to be read in conjunction with the accompanying notes.

**MLC Investment Trust**  
**Statements of Cash Flows**  
For the year ended 30 June 2020

		<b>Index Plus - Balanced Portfolio</b>		<b>Index Plus - Growth Portfolio</b>		<b>Inflation Plus - Assertive Portfolio</b>		<b>Diversified Debt Fund</b>	
		<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	Notes	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>									
Dividend and distribution income received		-	44	-	14	-	-	-	-
Interest received		2	4	1	2	4	11	1	7
Other income received		-	-	-	-	-	-	-	-
Responsible Entity's fees paid		(249)	(176)	(126)	(75)	(2,060)	(2,303)	(420)	(464)
Other expenses paid		-	(2)	-	-	-	-	-	-
<b>Net cash provided by/(used in) operating activities</b>	11(a)	<b>(247)</b>	<b>(130)</b>	<b>(125)</b>	<b>(59)</b>	<b>(2,056)</b>	<b>(2,292)</b>	<b>(419)</b>	<b>(457)</b>
<b>Cash flows from investing activities</b>									
Proceeds from sale of investments		30,150	19,837	5,531	3,030	90,350	65,492	28,804	32,605
Purchases of investments		(80,244)	(43,195)	(35,763)	(22,009)	(19,010)	(16,593)	(10,208)	-
<b>Net cash provided by/(used in) investing activities</b>		<b>(50,094)</b>	<b>(23,358)</b>	<b>(30,232)</b>	<b>(18,979)</b>	<b>71,340</b>	<b>48,899</b>	<b>18,596</b>	<b>32,605</b>
<b>Cash flows from financing activities</b>									
Applications received		87,033	46,845	39,375	22,033	67,894	69,067	20,533	14,676
Redemptions paid		(31,468)	(20,126)	(6,611)	(1,986)	(111,016)	(103,619)	(34,400)	(42,416)
Distributions paid		(2,497)	(3,075)	(957)	(808)	(12,154)	(6,534)	(3,006)	(4,397)
<b>Net cash (used in)/provided by financing activities</b>		<b>53,068</b>	<b>23,644</b>	<b>31,807</b>	<b>19,239</b>	<b>(55,276)</b>	<b>(41,086)</b>	<b>(16,873)</b>	<b>(32,137)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>2,727</b>	<b>156</b>	<b>1,450</b>	<b>201</b>	<b>14,008</b>	<b>5,521</b>	<b>1,304</b>	<b>11</b>
Cash and cash equivalents at the beginning of the financial year		1,945	1,789	638	437	13,648	8,127	2,474	2,463
<b>Cash and cash equivalents at end of financial year</b>	11(b)	<b>4,672</b>	<b>1,945</b>	<b>2,088</b>	<b>638</b>	<b>27,656</b>	<b>13,648</b>	<b>3,778</b>	<b>2,474</b>

The above Statements of Cash Flows are to be read in conjunction with the accompanying notes.

		Global Property Fund		Hedged Global Share Fund	
	Notes	2020 \$'000	2019 \$'000	2020 \$	2019 \$
<b>Cash flows from operating activities</b>					
Dividend and distribution income received		-	-	-	-
Interest received		1	3	6,085	3,250
Other income received		-	-	-	-
Responsible Entity's fees paid		(231)	(265)	(22,878)	(152,161)
Other expenses paid		-	-	(545)	-
<b>Net cash provided by/(used in) operating activities</b>	11(a)	<u>(230)</u>	<u>(262)</u>	<u>(17,338)</u>	<u>(148,911)</u>
<b>Cash flows from investing activities</b>					
Proceeds from sale of investments		6,744	12,622	28,052,486	4,130,000
Purchases of investments		-	(560)	(507)	(691,000)
<b>Net cash provided by/(used in) investing activities</b>		<u>6,744</u>	<u>12,062</u>	<u>28,051,979</u>	<u>3,439,000</u>
<b>Cash flows from financing activities</b>					
Applications received		4,224	4,716	330,245	2,500,000
Redemptions paid		(10,867)	(16,594)	(18,772,218)	(5,781,851)
Distributions paid		(7)	(36)	(9,894,634)	-
<b>Net cash provided by/(used in) financing activities</b>		<u>(6,650)</u>	<u>(11,914)</u>	<u>(28,336,607)</u>	<u>(3,281,851)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(136)</b>	<b>(114)</b>	<b>(301,966)</b>	<b>8,238</b>
Cash and cash equivalents at the beginning of the financial year		<u>287</u>	<u>401</u>	<u>301,966</u>	<u>293,728</u>
<b>Cash and cash equivalents at end of financial year</b>	11(b)	<u>151</u>	<u>287</u>	<u>-</u>	<u>301,966</u>

The above Statements of Cash Flows are to be read in conjunction with the accompanying notes.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

The financial report of the Schemes for the financial year ended 30 June 2020 was authorised for issue in accordance with a resolution of the Directors of the Responsible Entity on 11 September 2020.

### (a) Statement of compliance

The financial report complies with Australian Accounting Standards as issued by the Australian Accounting Standards Board ('AASB') and International Financial Reporting Standards ('IFRS'), as issued by the International Accounting Standards Board ('IASB').

### (b) Basis of preparation

The Schemes' year end financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. The assets and liabilities are measured on a fair value basis, except where otherwise stated.

The Statements of Financial Position are presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are designated as current assets and liabilities as they are expected to be recovered or settled within twelve months. Financial assets and liabilities at fair value through profit or loss and unitholders funds are expected to be settled upon contractual requirements.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

The Directors of MLC Investments Limited approved the commencement of terminations of the Hedged Global Share Fund and Platinum Global Fund which were completed by year end. The financial statements for 30 June 2020 are prepared on going concern basis with no impact to the financial position of the Schemes, except for the Schemes terminated during the year.

The financial statements are presented in Australian Dollars, and all values are rounded to the nearest thousand dollars except where otherwise indicated.

### (c) Basis of consolidation

The Schemes are investment entities under the definition in AASB 10 *Consolidated Financial Statements* and, as such, do not consolidate any entities subject to their control. The Schemes may hold a controlling interest in any of their underlying investments and therefore are required to provide additional disclosures as set out in Note 9.

### (d) Unit prices

The unit prices for the units of the Schemes are calculated as at the close of each business day.

### (e) Terms and conditions on units

Each unit issued confers upon the unitholders of each Scheme an equal interest in the Scheme, and is of equal value. A unit does not confer any interest in any particular asset or investment of each Scheme. Unitholders have various rights under the Constitution and the *Corporations Act 2001*, including the right to:

- (i) have their units redeemed;
- (ii) accumulate income, which is reflected in the unit price;
- (iii) attend and vote at meetings of unitholders; and
- (iv) participate in the termination and winding up of the Scheme.

The rights, obligations and restrictions attached to any unit of a Scheme are identical in all respects.

### (f) Financial assets and liabilities at fair value through profit or loss

The Schemes have classified all of their investments as at fair value through profit or loss.

Investments are valued at their fair value as at reporting date. Gains and losses arising from changes in the fair value of the financial assets and liabilities at fair value through profit or loss are included in the Statements of Profit or Loss and Other Comprehensive Income in the year in which they arise.

### (g) Fair value measurement

Assets and liabilities measured at fair value in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement in its entirety as detailed below:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

### (h) Significant accounting judgements, estimates or assumptions

The Schemes may make estimates and assumptions that affect the reported amounts of assets and liabilities in the financial statements.

#### *Estimates and assumptions*

Estimates are continually evaluated and based on historical experience, available information and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### *Fair value of financial assets and liabilities at fair value through profit or loss*

Fair value is the price that would be received from disposing an asset or paid to transfer a liability in an orderly transaction between market participants at the transaction date.

The Schemes measure investments in financial assets and liabilities at fair value through profit or loss. Management applies judgement in selecting valuation techniques where there is no market price available for an instrument. Further details on the determination of fair values of financial instruments is set out in Note 10(e).



## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (h) Significant accounting judgements, estimates or assumptions (continued)

#### *Judgements*

(i) The Schemes meet the definition criteria of an investment entity under AASB 10 *Consolidated Financial Statements*, and therefore are required to measure their interests in controlled entities at fair value through profit or loss. The criteria which define an investment entity are as follows:

- (a) An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services;
- (b) An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both; and
- (c) An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

(ii) The Schemes have assessed whether their investments in unlisted related registered managed investment schemes should be classified as structured entities. A structured entity is an entity in which voting or similar rights are not the dominant factor in deciding control. The Schemes have considered the voting rights and other similar rights and concluded on whether these rights are the dominant factor in determining control. The Schemes have concluded that their investments in unlisted registered managed investment schemes meet the definition of structured entities as the voting rights of these unlisted registered managed investment schemes are not substantive in nature as set out in Note 8(g).

(iii) The investments in related Schemes have been and will continue to be monitored for appropriateness of valuation due to impacts of market volatility including the recent impact due to COVID – 19. Accordingly, no adjustments have been made to the financial statements for market volatility including impacts due to COVID-19.

### (i) Cash and cash equivalents

Cash and cash equivalents in the Statements of Financial Position comprise of cash at bank, and short term deposits at call.

### (j) Receivables

Receivables may include amounts for dividends, interest, distributions, outstanding settlements and other income and are measured initially at fair value plus transaction costs. The impact of expected credit losses on financial assets measured at amortised cost is insignificant. Amounts are generally received within 30 days of being recorded as a receivable.

### (k) Payables

Payables include outstanding settlements and accrued expenses owing by the Schemes which are unpaid as at balance date. They are measured initially at fair value plus transaction costs.

### (l) Foreign currency transactions

Transactions during the year denominated in foreign currency have been translated at the exchange rate prevailing at the transaction date. Overseas investments and monetary items held, together with any accrued income, are translated at the exchange rate prevailing at the year end.

Foreign currency transaction gains and losses on financial instruments classified as at fair value through profit or loss are included in the Statements of Profit or Loss and Other Comprehensive Income as part of the 'Changes in the fair value of financial assets and liabilities at fair value through profit or loss'.

### (m) Income and expenses

Revenue is brought to account on an accrual basis except where otherwise stated.

Dividend and distribution income from listed securities and unlisted registered managed schemes are recognised on the date the shares or trust units are quoted ex dividend/distribution. Income on fixed interest securities and money market securities is recognised on an ex interest accrual basis.

Interest income on discount securities is brought to account on an effective interest rate basis and is derived from interest earned and amortised premium or discount to face value on investments.

Changes in the fair value of investments are recognised as income and are determined as the difference between the fair value at year end or consideration received (if sold during the year) and the fair value as at the prior year end or initial fair value (if the investment was acquired during the year).

Expenses are brought to account on an accrual basis.

The Responsible Entity is entitled to receive a fee, calculated in accordance with the Schemes' Constitutions, for the provision of management services to the Schemes. The Responsible Entity is entitled to be reimbursed, under the Schemes' Constitutions, for certain expenses incurred in administering the Schemes. The amount reimbursed has been calculated in accordance with the Schemes' Constitutions.

Other expenses also include government duties and bank interest expense. Auditors' remuneration has not been charged against the Schemes' income as this cost is borne by the Responsible Entity.

### (n) Taxation

The Schemes elected to have the new taxation regime (AMIT) for the taxation of managed investment schemes apply for the 2018 tax year and later years of income. The Schemes are not subject to income tax as the taxable income (including assessable realised net capital gains) is fully attributed to the unitholders each year. Unitholders are taxed on the income attributed to them.

The unit price is based upon fair values of underlying assets and thus may include a share of unrealised capital gains. Should such a gain be realised, that portion of the gain that is subject to capital gains tax will be distributed.

Net realised capital losses are not distributed to unitholders, but are retained to be offset against any future realised capital gains. Where realised assessable capital gains exceed realised capital losses, the excess will be distributed and attributed to unitholders as assessable income for taxation purposes.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(o) Distributions to unitholders**

The income of the Schemes is accumulated and reinvested or paid to unitholders on the last Sunday of September, December and March and the last day of June, except for the Horizon 6 Share Portfolio, Global Share Fund, Horizon 7 Accelerated Growth Portfolio, and Inflation Plus - Assertive Portfolio which distribute on last day of June only. The income of the Schemes may also be accumulated and paid to unitholders on other dates as determined by the Responsible Entity.

Distributable income does not include unrealised gains and losses arising on movements in the fair value of investments; as such, unrealised gains and losses are transferred to unitholders funds and are not attributed to unitholders as assessable income or distributed until realised.

The Schemes' distributions are expressed as cents per unit for the distribution period.

**(p) Goods and services tax**

Responsible Entity fees and other expenses are recognised net of the amount of goods and services tax ('GST') recoverable from the Australian Taxation Office ('ATO') as a reduced input tax credit ('RITC').

Creditors and accruals are stated with the amount of GST included.

The net amount of GST recoverable from the ATO is included in payables in the Statements of Financial Position.

**(q) Derecognition of financial instruments**

The derecognition of financial instruments takes place when the Schemes no longer control the contractual rights that comprise the financial instrument, which is normally the case when the instrument is sold, or all the cash flows attributable to the instrument are passed through to an independent third party.

**(r) Capital management**

The amount of unitholders funds can change significantly on a daily basis as the Schemes are subject to daily applications and redemptions at the discretion of unitholders.

The Responsible Entity monitors the level of daily applications and redemptions relative to the liquid assets in the Schemes.

In order to maintain or adjust the capital structure, the Responsible Entity may return capital to unitholders. The Schemes do not have any externally imposed capital requirements.

**(s) Unitholders funds**

As of 30 June 2018, and subsequent years, as a result of the reclassification of net assets attributable to unitholders from liabilities to equity, the Schemes' distributions are no longer classified as a finance cost in the Statement of Profit or Loss and Other Comprehensive Income, but rather as distributions paid in the Statement of Changes in Unitholders Funds. Where Schemes are multi-class, the units are equally subordinate; however they do not have identical features and the units therefore continue to be classified as liability in accordance with the requirements of AASB 132 *Financial Instruments: Presentation* relating to the puttable instruments.

The units can be put back to the Schemes at any time for cash based on the redemption price. The fair value of redeemable units is measured at the redemption amount that is payable (based on the redemption unit price) at the end of the financial year, if unitholders exercised their right to put the units back to the Schemes.

**(t) Application of accounting standards**

*New and amended standards and*

Several standards and amendments, including AASB 16 *Leases* and AASB Interpretations 23 *Uncertain Tax Position* apply to the Schemes for the first time in 2020, however do not have an impact on the financial statements of the Schemes. The Schemes have not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

## NOTE 2 - AUDITOR'S REMUNERATION

The Schemes have regular audits on the financial reports. The Responsible Entity pays the cost of the audit fees being \$7,000 (2019: \$7,000) per Scheme for audit and review of the financial reports, and \$2,374 (2019: \$2,374) per Scheme for Compliance plan audits.

## NOTE 3 - DIVIDEND AND DISTRIBUTION INCOME

The Schemes receive income from their related party underlying investments in unlisted managed investment schemes, which is detailed in Note 8 (h), except for the below.

	Index Plus - Conservative Growth Portfolio		Index Plus - Balanced Portfolio		Index Plus - Growth Portfolio	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Dividend/Scheme distribution income:</b>						
Listed equities and unit trusts	0	21	0	44	0	14
Unlisted managed investment schemes	4,170	2,416	5,391	3,597	2,737	1,567
	4,170	2,437	5,391	3,641	2,737	1,581

## NOTE 4 - DISTRIBUTIONS

Except for multi-class Schemes, income paid out of the Schemes in prior years were disclosed in the Statements of Profit or Loss and Other Comprehensive Income as distributions; whilst current and subsequent years income paid out is classified as distributions in the Statements of Unitholders Funds as stated below:

	Horizon 4 Balanced Portfolio		Horizon 3 Conservative Growth Portfolio		Income Builder		Inflation Plus - Moderate Portfolio	
	\$'000	cents per unit	\$'000	cents per unit	\$'000	cents per unit	\$'000	cents per unit
<b>2020</b>								
September	4,681	0.28	2,746	0.30	3,861	1.37	-	-
December	6,357	0.37	2,806	0.30	5,620	2.02	1,646	0.31
March	5,117	0.30	2,875	0.31	3,509	1.28	-	-
June (payable)	77,021	4.46	30,519	3.29	11,221	4.22	27,457	5.35
	93,176	5.41	38,946	4.20	24,211	8.89	29,103	5.66
<b>2019</b>								
September	6,162	0.41	2,914	0.35	4,482	1.46	-	-
December	6,893	0.45	3,414	0.40	6,642	2.22	-	-
March	15,205	0.98	5,961	0.69	4,975	1.69	-	-
June (payable)	22,139	1.38	31,813	3.64	30,332	10.67	21,972	4.00
	50,399	3.22	44,102	5.08	46,431	16.04	21,972	4.00
	Horizon 5 Growth Portfolio		Horizon 2 Income Portfolio		Inflation Plus - Conservative Portfolio		Horizon 6 Share Portfolio	
	\$'000	cents per unit	\$'000	cents per unit	\$'000	cents per unit	\$'000	cents per unit
<b>2020</b>								
September	1,322	0.32	738	0.19	-	-	-	-
December	1,406	0.33	1,166	0.30	1,125	0.50	-	-
March	1,378	0.33	1,008	0.26	-	-	-	-
June (payable)	4,903	1.16	9,550	2.51	8,212	4.01	17,410	7.50
	9,009	2.14	12,462	3.26	9,337	4.51	17,410	7.50
<b>2019</b>								
September	1,243	0.32	1,706	0.42	-	-	-	-
December	1,828	0.46	1,335	0.33	1,528	0.53	-	-
March	4,035	0.99	1,760	0.44	-	-	-	-
June (payable)	5,618	1.41	9,785	2.52	8,832	3.39	19,402	9.00
	12,724	3.18	14,586	3.71	10,360	3.92	19,402	9.00
	Property Securities Fund		Global Share Fund		Australian Share Fund		Platinum Global Fund	
	\$'000	cents per unit	\$'000	cents per unit	\$'000	cents per unit	\$	cents per unit
<b>2020</b>								
September	1,535	1.09	-	-	851	0.57	-	-
December	-	-	-	-	1,362	0.91	-	-
January	-	-	-	-	-	-	19,287,950	48.62
March	834	0.63	-	-	686	0.46	-	-
June (payable)	13	0.01	9,965	10.32	6,336	4.28	-	-
	2,382	1.73	9,965	10.32	9,235	6.22	19,287,950	48.62
<b>2019</b>								
September	1,476	0.85	-	-	853	0.58	-	-
December	143	0.09	-	-	1,541	1.05	-	-
March	1,117	0.73	-	-	4,210	2.90	-	-
June (payable)	1,068	0.73	9,573	8.66	6,463	4.42	8,400,263	15.72
	3,804	2.40	9,573	8.66	13,067	8.95	8,400,263	15.72

NOTE 4 - DISTRIBUTIONS (CONTINUED)

	Horizon 1 Bond Portfolio		Australian Share Index Fund		Horizon 7 Accelerated Growth Portfolio		Index Plus - Conservative Growth Portfolio Class A	
	\$'000	cents per unit	\$'000	cents per unit	\$'000	cents per unit	\$'000	cents per unit
<b>2020</b>								
September	30	0.06	533	0.87	-	-	86	0.09
December	114	0.22	1,023	1.65	-	-	394	0.35
March	143	0.28	446	0.73	-	-	341	0.28
June (payable)	499	1.04	3,276	5.34	3,671	6.43	3,175	2.37
	<u>786</u>	<u>1.60</u>	<u>5,278</u>	<u>8.59</u>	<u>3,671</u>	<u>6.43</u>	<u>3,996</u>	<u>3.09</u>
<b>2019</b>								
September	284	0.49	500	0.84	-	-	279	0.48
December	98	0.17	1,021	1.73	-	-	96	0.15
March	237	0.43	2,050	3.48	-	-	670	1.00
June (payable)	421	0.79	1,758	2.95	1,979	4.13	1,358	1.67
	<u>1,040</u>	<u>1.88</u>	<u>5,329</u>	<u>9.00</u>	<u>1,979</u>	<u>4.13</u>	<u>2,403</u>	<u>3.30</u>
	Index Plus - Balanced Portfolio Class A		Index Plus - Growth Portfolio Class A					
	\$'000	cents per unit	\$'000	cents per unit				
<b>2020</b>								
September	78	0.07	-	-				
December	535	0.43	243	0.43				
March	420	0.32	184	0.29				
June (payable)	4,277	2.95	2,141	3.06				
	<u>5,310</u>	<u>3.77</u>	<u>2,568</u>	<u>3.78</u>				
<b>2019</b>								
September	488	0.60	179	0.62				
December	85	0.10	20	0.06				
March	1,156	1.31	498	1.34				
June (payable)	1,814	1.92	850	2.10				
	<u>3,543</u>	<u>3.93</u>	<u>1,547</u>	<u>4.12</u>				

The following schemes are multi-class and classify net assets attributable to unitholders as liability. Refer to Note 1(s).

	Inflation Plus - Assertive Portfolio Class A		Inflation Plus - Assertive Portfolio Class B		Diversified Debt Fund Class A		Diversified Debt Fund Class B	
	\$'000	cents per unit	\$'000	cents per unit	\$'000	cents per unit	\$'000	cents per unit
<b>2020</b>								
September	-	-	-	-	544	0.47	2	0.17
December	-	-	-	-	267	0.25	-	-
March	-	-	-	-	393	0.37	-	-
June (payable)	24,767	6.63	239	5.54	3,273	3.19	32	2.79
	<u>24,767</u>	<u>6.63</u>	<u>239</u>	<u>5.54</u>	<u>4,477</u>	<u>4.28</u>	<u>34</u>	<u>2.96</u>
<b>2019</b>								
September	-	-	-	-	1,042	0.77	6	0.44
December	-	-	-	-	553	0.44	3	0.15
March	-	-	-	-	600	0.50	3	0.20
June (payable)	12,536	3.00	59	1.62	1,782	1.54	17	1.18
	<u>12,536</u>	<u>3.00</u>	<u>59</u>	<u>1.62</u>	<u>3,977</u>	<u>3.25</u>	<u>29</u>	<u>1.97</u>
	Global Property Fund Class A		Global Property Fund Class B		Hedged Global Share Fund Class A		Hedged Global Share Fund Class B	
	\$'000	cents per unit	\$'000	cents per unit	\$	cents per unit	\$	cents per unit
<b>2020</b>								
August	-	-	-	-	9,700,962	38.46	193,672	12.04
September	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
June (payable)	-	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,700,962</u>	<u>38.46</u>	<u>193,672</u>	<u>12.04</u>
<b>2019</b>								
September	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-	-
June (payable)	7	0.01	-	-	-	-	-	-
	<u>7</u>	<u>0.01</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

NOTE 5 - FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Horizon 4 Balanced Portfolio		Horizon 3 Conservative Growth Portfolio		Income Builder		Inflation Plus - Moderate Portfolio	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Unlisted related party managed investment schemes</b>								
Units held in unlisted related party managed investment schemes	<u>1,998,241</u>	<u>1,999,068</u>	<u>1,001,952</u>	<u>996,979</u>	<u>342,455</u>	<u>473,031</u>	<u>523,691</u>	<u>586,271</u>
<b>Total financial assets at fair value through profit or loss</b>	<u>1,998,241</u>	<u>1,999,068</u>	<u>1,001,952</u>	<u>996,979</u>	<u>342,455</u>	<u>473,031</u>	<u>523,691</u>	<u>586,271</u>
	Horizon 5 Growth Portfolio		Horizon 2 Income Portfolio		Inflation Plus - Conservative Portfolio		Horizon 6 Share Portfolio	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Unlisted related party managed investment schemes</b>								
Units held in unlisted related party managed investment schemes	<u>508,008</u>	<u>503,989</u>	<u>371,426</u>	<u>404,809</u>	<u>209,643</u>	<u>276,695</u>	<u>257,539</u>	<u>268,525</u>
<b>Total financial assets at fair value through profit or loss</b>	<u>508,008</u>	<u>503,989</u>	<u>371,426</u>	<u>404,809</u>	<u>209,643</u>	<u>276,695</u>	<u>257,539</u>	<u>268,525</u>
	Property Securities Fund		Global Share Fund		Australian Share Fund		Platinum Global Fund	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$	2019 \$
<b>Unlisted related party managed investment schemes</b>								
Units held in unlisted related party managed investment schemes	<u>79,763</u>	<u>114,966</u>	<u>86,594</u>	<u>109,754</u>	<u>130,177</u>	<u>149,274</u>	<u>-</u>	<u>50,129,403</u>
<b>Total financial assets at fair value through profit or loss</b>	<u>79,763</u>	<u>114,966</u>	<u>86,594</u>	<u>109,754</u>	<u>130,177</u>	<u>149,274</u>	<u>-</u>	<u>50,129,403</u>
	Horizon 1 Bond Portfolio		Australian Share Index Fund		Horizon 7 Accelerated Growth Portfolio		Index Plus - Conservative Growth Portfolio	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Unlisted related party managed investment schemes</b>								
Units held in unlisted related party managed investment schemes	<u>48,118</u>	<u>53,768</u>	<u>74,489</u>	<u>84,176</u>	<u>84,600</u>	<u>79,824</u>	<u>136,189</u>	<u>86,336</u>
<b>Total financial assets at fair value through profit or loss</b>	<u>48,118</u>	<u>53,768</u>	<u>74,489</u>	<u>84,176</u>	<u>84,600</u>	<u>79,824</u>	<u>136,189</u>	<u>86,336</u>
	Index Plus - Balanced Portfolio		Index Plus - Growth Portfolio		Inflation Plus - Assertive Portfolio		Diversified Debt Fund	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Unlisted related party managed investment schemes</b>								
Units held in unlisted related party managed investment schemes	<u>148,167</u>	<u>101,730</u>	<u>72,173</u>	<u>44,646</u>	<u>339,000</u>	<u>404,335</u>	<u>105,500</u>	<u>119,958</u>
<b>Total financial assets at fair value through profit or loss</b>	<u>148,167</u>	<u>101,730</u>	<u>72,173</u>	<u>44,646</u>	<u>339,000</u>	<u>404,335</u>	<u>105,500</u>	<u>119,958</u>
	Global Property Fund		Hedged Global Share Fund					
	2020 \$'000	2019 \$'000	2020 \$	2019 \$				
<b>Unlisted related party managed investment schemes</b>								
Units held in unlisted related party managed investment schemes	<u>41,060</u>	<u>57,444</u>	<u>-</u>	<u>29,550,336</u>				
<b>Total financial assets at fair value through profit or loss</b>	<u>41,060</u>	<u>57,444</u>	<u>-</u>	<u>29,550,336</u>				

Units held in unlisted related party managed investment schemes are detailed in Note 8(h).

NOTE 6 - RECEIVABLES

	Horizon 4 Balanced Portfolio		Horizon 3 Conservative Growth Portfolio		Income Builder		Inflation Plus - Moderate Portfolio	
	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Amounts owing from Responsible Entity	940	1,019	895	878	352	483	-	-
Distribution receivables	2,230	1,199	-	-	-	-	-	-
Other receivables	-	5	-	3	-	3	-	3
	3,170	2,223	895	881	352	486	-	3
	Horizon 5 Growth Portfolio		Horizon 2 Income Portfolio		Inflation Plus - Conservative Portfolio		Horizon 6 Share Portfolio	
	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Amounts owing from Responsible Entity	424	418	-	-	-	-	169	176
Distribution receivables	-	-	63	284	-	-	122	75
Other receivables	-	1	-	1	-	1	-	2
	424	419	63	285	-	1	291	253
	Property Securities Fund		Global Share Fund		Australian Share Fund		Platinum Global Fund	
	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$	\$
Amounts owing from Responsible Entity	-	-	-	-	-	-	-	28,253
Distribution receivables	-	-	-	-	-	-	-	-
Other receivables	-	-	-	1	-	1	-	656
	-	-	-	1	-	1	-	28,909
	Horizon 1 Bond Portfolio		Australian Share Index Fund		Horizon 7 Accelerated Growth Portfolio		Index Plus - Conservative Growth Portfolio	
	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Amounts owing from Responsible Entity	-	-	-	-	-	-	-	-
Distribution receivables	26	70	-	-	-	-	1,129	463
Other receivables	-	-	-	-	-	-	-	-
	26	70	-	-	-	-	1,129	463
	Index Plus - Balanced Portfolio		Index Plus - Growth Portfolio		Inflation Plus - Assertive Portfolio		Diversified Debt Fund	
	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Amounts owing from Responsible Entity	-	-	-	-	-	-	-	-
Distribution receivables	1,867	785	1,067	390	-	-	-	-
Other receivables	-	1	-	-	-	1	1	2
	1,867	786	1,067	390	-	1	1	2
	Global Property Fund		Hedged Global Share Fund					
	2020	2019	2020	2019				
	\$'000	\$'000	\$	\$				
Amounts owing from Responsible Entity	-	-	-	-				
Distribution receivables	-	-	-	-				
Other receivables	1	1	-	157				
	1	1	-	157				

NOTE 7 - PAYABLES

	Horizon 4 Balanced Portfolio		Horizon 3 Conservative Growth Portfolio		Income Builder		Inflation Plus - Moderate Portfolio	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Amounts owing to Responsible Entity	-	-	-	-	-	-	184	189
Other payables	6	5	5	4	3	2	5	6
	6	5	5	4	3	2	189	195
	Horizon 5 Growth Portfolio		Horizon 2 Income Portfolio		Inflation Plus - Conservative Portfolio		Horizon 6 Share Portfolio	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Amounts owing to Responsible Entity	-	-	54	69	49	82	-	-
Other payables	20	20	4	2	5	3	2	2
	20	20	58	71	54	85	2	2
	Property Securities Fund		Global Share Fund		Australian Share Fund		Platinum Global Fund	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$	2019 \$
Amounts owing to Responsible Entity	11	20	27	33	47	53	-	-
Other payables	2	1	4	3	1	-	-	445
	13	21	31	36	48	53	-	445
	Horizon 1 Bond Portfolio		Australian Share Index Fund		Horizon 7 Accelerated Growth Portfolio		Index Plus - Conservative Growth Portfolio	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Amounts owing to Responsible Entity	8	10	11	13	39	33	9	10
Other payables	3	2	1	1	-	-	1	-
	11	12	12	14	39	33	10	10
	Index Plus - Balanced Portfolio		Index Plus - Growth Portfolio		Inflation Plus - Assertive Portfolio		Diversified Debt Fund	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Amounts owing to Responsible Entity	11	14	6	7	129	139	25	25
Other payables	2	1	-	-	7	5	4	4
	13	15	6	7	136	144	29	29
	Global Property Fund		Hedged Global Share Fund					
	2020 \$'000	2019 \$'000	2020 \$	2019 \$				
Amounts owing to Responsible Entity	13	15	-	9,251				
Other payables	2	2	-	545				
	15	17	-	9,796				

## NOTE 8 - RELATED PARTIES

### (a) Responsible Entity

The Responsible Entity of each of the Schemes is MLC Investments Limited ABN 30 002 641 661, whose immediate holding company is MLC Wealth Limited (formerly known as National Wealth Management Services Limited) ABN 97 071 514 264 and the ultimate parent company is National Australia Bank Limited ABN 12 004 044 937.

The Responsible Entity is incorporated and domiciled in Australia.

### (b) Key management personnel

#### Directors

The names of the persons who were Directors of MLC Investments Limited at any time during the financial year were as follows:

Name	Appointment / Resignation Date
J G Duffield	Appointed 24 August 2011
P Gupta	Appointed 1 September 2012
C M Keating	Resigned 31 March 2020
G J Mulcahy	Appointed 7 July 2014
K A Watt	Appointed 5 December 2016

In addition to the Directors noted above, the Responsible Entity provides key management personnel services to the Schemes.

Key management personnel are paid by a related party of the Responsible Entity. Payments made from the Schemes to the Responsible Entity do not include any amounts directly attributable to key management personnel remuneration.

### (c) Other related party transactions with the Schemes

From time to time the Directors of MLC Investments Limited, or their related entities, may invest into or withdraw from the Schemes. These investments or withdrawals are on the same terms and conditions as those entered into by other Scheme investors.

### (d) Amounts payable to/(receivable from) the Responsible Entity

The net amount of payables/(receivables) to MLC Investments Limited by the Schemes at balance date are shown in the table below:

	2020 \$	2019 \$
Horizon 4 Balanced Portfolio	(940,266)	(1,018,869)
Horizon 3 Conservative Growth Portfolio	(894,782)	(877,987)
Income Builder	(351,999)	(482,789)
Inflation Plus - Moderate Portfolio	184,220	189,284
Horizon 5 Growth Portfolio	(423,962)	(418,014)
Horizon 2 Income Portfolio	54,416	68,646
Inflation Plus - Conservative Portfolio	49,331	81,528
Horizon 6 Share Portfolio	(169,231)	(176,274)
Property Securities Fund	11,259	20,085
Global Share Fund	27,063	32,796
Australian Share Fund	47,255	52,801
Platinum Global Fund	-	(28,253)
Horizon 1 Bond Portfolio	8,385	9,680
Australian Share Index Fund	11,762	12,792
Horizon 7 Accelerated Growth Portfolio	38,467	32,550
Index Plus - Conservative Growth Portfolio	8,742	9,545
Index Plus - Balanced Portfolio	11,073	13,669
Index Plus - Growth Portfolio	6,147	6,899
Inflation Plus Assertive Portfolio	129,210	139,259
Diversified Debt Fund	24,324	25,241
Global Property Fund	12,832	14,952
Hedged Global Share Fund	-	9,251

### (e) Responsible Entity's fees

The Responsible Entity's fees have been calculated in accordance with the Schemes' Constitutions. Total fees paid and payable (net of rebates where applicable) are as follows:

	2020 \$	2019 \$
Horizon 4 Balanced Portfolio*	(12,136,813)	(11,841,819)
Horizon 3 Conservative Growth Portfolio*	(11,105,335)	(9,790,749)
Income Builder*	(5,132,935)	(5,896,361)
Inflation Plus - Moderate Portfolio	2,860,279	2,676,866
Horizon 5 Growth Portfolio*	(5,326,214)	(4,728,950)
Horizon 2 Income Portfolio	991,136	1,138,732
Inflation Plus - Conservative Portfolio	890,766	1,230,494
Horizon 6 Share Portfolio*	(2,176,862)	(2,045,037)
Property Securities Fund	327,922	357,846
Global Share Fund	470,138	495,747
Australian Share Fund	700,402	693,294
Platinum Global Fund*	(175,355)	(426,265)
Horizon 1 Bond Portfolio	159,951	175,679



**NOTE 8 - RELATED PARTIES (CONTINUED)**

**(e) Responsible Entity's fees (continued)**

	2020	2019
	\$	\$
Australian Share Index Fund	199,834	189,114
Horizon 7 Accelerated Growth Portfolio	533,485	442,643
Index Plus - Conservative Growth Portfolio	179,907	111,569
Index Plus - Balanced Portfolio	245,793	183,444
Index Plus - Growth Portfolio	125,162	80,058
Inflation Plus Assertive Portfolio	2,050,039	2,266,293
Diversified Debt Fund	419,844	459,362
Global Property Fund	228,543	262,237
Hedged Global Share Fund	13,627	152,057

\* The Schemes received a rebate from the Responsible Entity to reduce the effect of management fee paid.

**(f) Expense reimbursement**

The Responsible Entity is entitled, under the Schemes' Constitutions, to be reimbursed for certain expenses incurred in administering the Schemes. The basis on which the expenses are reimbursable is defined in the Constitutions. There were no expense reimbursements during the year (2019: Nil).

**(g) Interests in unconsolidated structured entities**

The Schemes' maximum exposure to loss from their investments in unlisted managed investment schemes, which have been assessed to be structured entities, is restricted to their fair value which are disclosed in Note 8(h). The Schemes have not sponsored or provided support, financial or otherwise to the unlisted managed investment schemes they hold.

**(h) Related party investments**

The Schemes may purchase and sell units in other unlisted managed investment schemes managed by MLC Investments Limited or its related parties in the ordinary course of business at application and redemption prices calculated in accordance with the Constitutions.

Details of units in managed investment schemes operated by the Responsible Entity held by the Schemes are set out in the following tables. Cash and cash equivalents in the Statements of Financial Position for all the Schemes are held with the National Australia Bank Limited.

The principal activities of all the below named Schemes are to invest and transact in unlisted related party managed investment schemes and equities in accordance with the provisions of the Schemes' Constitutions.

The Schemes are unlisted registered managed investment schemes and along with their related parties are domiciled in Australia.

MLC Investments Limited and its related parties	Number of unit/shares held	Interest held in the Scheme/Entity	Fair value of investment	Distributions/Dividends received/receivable
		%	\$	\$
<b>Horizon 4 Balanced Portfolio</b>				
<b>2020</b>				
WM Pool - Australian Equities Trust No.2	740,321	0.72	47,353,646	3,325,649
Antares Enhanced Cash Trust	10,213,431	0.16	10,457,839	141,816
WM Sector - Australian Equities Trust	1,099,661	2.59	109,533,334	9,228,993
WM Sector - Diversified Debt (All) Trust	589,846	1.88	60,680,639	2,677,073
WM Sector - Diversified Debt (Short) Trust	181,197	0.38	18,454,052	313,755
WM Pool - Equities Trust No. 47	552,952	2.73	53,934,648	5,506,944
WM Pool - Equities Trust No. 59	299,753	4.12	30,080,482	1,839,056
WM Pool - Equities Trust No. 73	76,670	8.22	7,555,595	252,457
WM Pool - Fixed Interest Trust No. 5	116,946	0.41	12,236,451	227,997
WM Pool - Fixed Interest Trust No. 24	262,806	1.94	26,833,706	492,202
WM Pool - Global Properties Trust	231,840	2.18	23,263,380	-
WM Sector - Global Equities (Hedged) Trust	300,590	4.33	36,123,472	-
WM Sector - Global Equities (Unhedged) Trust	564,447	1.06	58,067,584	7,190,939
WM Pool - Inflation Linked Securities Trust	22,344,419	2.52	26,128,201	671,552
WM Pool - LTAR Part 1 NS Trust	411,344	5.45	34,530,289	3,619,521
MasterKey Unit Trust Balanced Portfolio	984,149,689	78.52	1,434,848,912	61,687,827
LCS Trust Class A	8,494,102	0.97	8,159,136	174,502
	<u>1,030,630,014</u>		<u>1,998,241,366</u>	<u>97,350,283</u>

**NOTE 8 - RELATED PARTIES (CONTINUED)**

**(h) Related party investments (continued)**

MLC Investments Limited and its related parties	Number of unit/shares held	Interest held in the Scheme/Entity	Fair value of investment	Distributions/ Dividends received/ receivable
		%	\$	\$
<b>Horizon 4 Balanced Portfolio (continued)</b>				
<b>2019</b>				
WM Pool - Australian Equities Trust No.2	530,898	0.56	39,559,737	2,916,809
Antares Enhanced Cash Trust	26,623,706	0.35	27,262,275	575,722
WM Sector - Australian Equities Trust	830,315	1.94	98,832,648	8,319,585
WM Sector - Diversified Debt (All) Trust	404,619	1.26	41,848,607	1,503,169
WM Sector - Diversified Debt (Short) Trust	-	-	-	-
WM Pool - Equities Trust No. 47	513,176	2.36	53,507,870	4,234,085
WM Pool - Equities Trust No. 59	333,689	2.97	35,116,892	1,418,215
WM Pool - Equities Trust No. 73	173,208	3.07	17,442,685	336,209
WM Pool - Fixed Interest Trust No. 5	96,547	0.35	10,693,446	212,519
WM Pool - Fixed Interest Trust No. 24	255,706	1.82	26,317,581	524,683
WM Pool - Global Properties Trust	167,415	1.62	20,693,178	185,174
WM Sector - Global Equities (Hedged) Trust	299,609	3.95	36,986,516	-
WM Sector - Global Equities (Unhedged) Trust	478,987	0.83	55,016,638	5,493,903
WM Pool - Inflation Linked Securities Trust	12,871,694	1.14	15,253,318	436,987
WM Pool - LTAR Part 1 NS Trust	283,671	3.87	25,521,207	1,045,311
MasterKey Unit Trust Balanced Portfolio	939,600,447	76.93	1,485,114,614	56,289,448
LCS Trust Class A	8,344,218	0.94	9,900,382	224,659
	991,807,905		1,999,067,594	83,716,478
<b>Horizon 3 Conservative Growth Portfolio</b>				
<b>2020</b>				
MasterKey Unit Trust Conservative Growth Portfolio	1,002,631,175	90.04	1,001,952,394	31,376,905
<b>2019</b>				
MasterKey Unit Trust Conservative Growth Portfolio	944,196,790	88.87	996,979,279	35,375,158
<b>Income Builder</b>				
<b>2020</b>				
MasterKey Unit Trust Incomebuilder	190,874,620	23.88	342,454,837	31,197,172
<b>2019</b>				
MasterKey Unit Trust Incomebuilder	199,722,860	23.39	473,031,212	46,274,865
<b>Inflation Plus - Moderate Portfolio</b>				
<b>2020</b>				
WM Pool - Equities Trust No. 59	5,218,592	71.70	523,691,154	33,821,756
<b>2019</b>				
WM Pool - Equities Trust No. 59	5,570,894	49.66	586,271,050	25,174,941
<b>Horizon 5 Growth Portfolio</b>				
<b>2020</b>				
MasterKey Unit Trust Growth Portfolio	383,935,448	82.53	508,007,643	24,085,844
<b>2019</b>				
MasterKey Unit Trust Growth Portfolio	347,765,336	79.87	503,989,175	13,428,095
<b>Horizon 2 Income Portfolio</b>				
<b>2020</b>				
Antares Enhanced Cash Trust	26,176,529	0.42	26,802,933	387,041
WM Sector - Diversified Debt (All) Trust	110,975	0.35	11,416,622	531,333
WM Sector - Diversified Debt (Short) Trust	1,197,490	2.51	121,958,720	2,365,335
WM Pool - Equities Trust No. 58	277,059	9.38	28,015,900	1,460,553
WM Pool - Equities Trust No. 59	112,950	1.55	11,334,631	730,763
WM Pool - Equities Trust No. 73	15,393	1.65	1,516,962	50,687
WM Pool - Fixed Interest Trust No. 5	122,702	0.43	12,838,769	217,722
WM Pool - Global Properties Trust	173,212	1.63	17,380,592	-
WM Sector - Global Equities (Hedged) Trust	66,338	0.95	7,972,122	-
WM Sector - Global Equities (Unhedged) Trust	185,590	0.35	19,092,566	2,168,486
WM Sector - Property Securities Trust	89,750	1.34	6,658,348	194,193
MasterKey Unit Trust Incomebuilder	29,979,134	3.75	53,786,614	4,534,805
WM Pool - Inflation Linked Securities Trust	11,136,215	1.26	13,022,011	309,792
WM Pool - Fixed Interest Trust No. 24	334,688	2.47	34,173,108	622,138
LCS Trust Class A	5,679,850	0.65	5,455,865	116,686
	75,657,875		371,425,763	13,689,534

**NOTE 8 - RELATED PARTIES (CONTINUED)**

**(h) Related party investments (continued)**

MLC Investments Limited and its related parties	Number of unit/shares held	Interest held in the Scheme/Entity	Fair value of investment	Distributions/ Dividends received/ receivable
		%	\$	\$
<b>Horizon 2 Income Portfolio (continued)</b>				
<b>2019</b>				
Antares Enhanced Cash Trust	50,631,006	0.67	51,845,391	1,213,164
WM Sector - Diversified Debt (All) Trust	71,012	0.22	7,344,601	302,443
WM Sector - Diversified Debt (Short) Trust	1,344,218	2.22	137,630,453	2,753,324
WM Pool - Equities Trust No. 58	402,894	8.37	42,173,491	1,688,332
WM Pool - Equities Trust No. 59	-	-	-	-
WM Pool - Equities Trust No. 73	39,654	0.70	3,993,278	126,157
WM Pool - Fixed Interest Trust No. 5	117,051	0.42	12,964,443	416,029
WM Pool - Global Properties Trust	128,016	1.24	15,823,232	165,984
WM Sector - Global Equities (Hedged) Trust	26,790	0.35	3,307,178	-
WM Sector - Global Equities (Unhedged) Trust	173,761	0.30	19,958,210	1,982,079
WM Sector - Property Securities Trust	89,542	1.15	8,400,516	303,460
MasterKey Unit Trust Incomebuilder	24,650,828	2.89	58,383,957	5,542,273
WM Pool - Inflation Linked Securities Trust	9,010,309	0.80	10,677,469	361,249
WM Pool - Fixed Interest Trust No. 24	249,572	1.78	25,686,226	609,991
LCS Trust Class A	5,579,626	0.63	6,620,204	150,226
	92,514,279		404,808,649	15,614,711
<b>Inflation Plus - Conservative Portfolio</b>				
<b>2020</b>				
WM Pool - Equities Trust No. 58	2,073,234	70.19	209,642,889	10,639,135
<b>2019</b>				
WM Pool - Equities Trust No. 58	2,643,339	54.91	276,695,179	11,416,619
<b>Horizon 6 Share Portfolio</b>				
<b>2020</b>				
WM Pool - Australian Equities Trust No.2	40,876	0.04	2,614,589	220,357
WM Sector - Australian Equities Trust	63,198	0.15	6,294,960	865,502
WM Pool - Equities Trust No. 47	24,421	0.12	2,382,000	349,686
WM Pool - Global Properties Trust	5,311	0.05	532,951	-
WM Sector - Global Equities (Hedged) Trust	23,193	0.33	2,787,222	-
WM Sector - Global Equities (Unhedged) Trust	81,772	0.15	8,412,325	1,093,450
WM Pool - LTAR Part 1 NS Trust	33,357	0.44	2,800,190	273,606
MasterKey Unit Trust Share Portfolio	231,582,391	77.51	230,898,296	14,872,861
LCS Trust Class A	850,079	0.10	816,556	17,464
	232,704,598		257,539,089	17,692,926
<b>2019</b>				
WM Pool - Australian Equities Trust No.2	38,100	0.04	2,839,029	316,860
WM Sector - Australian Equities Trust	57,771	0.14	6,876,534	952,549
WM Pool - Equities Trust No. 47	25,291	0.12	2,637,020	312,845
WM Pool - Global Properties Trust	4,289	0.04	530,178	5,299
WM Sector - Global Equities (Hedged) Trust	28,603	0.38	3,530,984	-
WM Sector - Global Equities (Unhedged) Trust	48,559	0.08	5,577,534	912,445
WM Pool - LTAR Part 1 NS Trust	31,143	0.42	2,801,815	198,760
MasterKey Unit Trust Share Portfolio	216,489,965	74.41	242,741,539	14,597,739
LCS Trust Class A	835,079	0.09	990,818	22,484
	217,558,800		268,525,451	17,318,981
<b>Property Securities Fund</b>				
<b>2020</b>				
WM Sector - Property Securities Trust	1,075,160	16.07	79,763,468	2,657,405
<b>2019</b>				
WM Sector - Property Securities Trust	1,225,440	15.73	114,966,465	4,150,788

**NOTE 8 - RELATED PARTIES (CONTINUED)**

**(h) Related party investments (continued)**

MLC Investments Limited and its related parties	Number of unit/shares held	Interest held in the Scheme/Entity	Fair value of investment	Distributions/ Dividends received/ receivable
		%	\$	\$
<b>Global Share Fund</b>				
<b>2020</b>				
WM Sector - Global Equities (Unhedged) Trust	841,737	1.58	86,593,828	11,018,209
<b>2019</b>				
WM Sector - Global Equities (Unhedged) Trust	955,543	1.66	109,754,044	11,935,937
<b>Australian Share Fund</b>				
<b>2020</b>				
WM Pool - Equities Trust No. 41	1,416,340	11.73	130,177,036	10,675,679
<b>2019</b>				
WM Pool - Equities Trust No. 41	1,393,965	11.11	149,274,258	14,055,535
<b>Platinum Global Fund</b>				
<b>2020</b>				
MasterKey Unit Trust MLC-Platinum Global Fund	-	-	-	-
<b>2019</b>				
MasterKey Unit Trust MLC-Platinum Global Fund	26,959,452	6.00	50,129,403	4,287,013
<b>Horizon 1 Bond Portfolio</b>				
<b>2020</b>				
Antares Enhanced Cash Trust	10,977,352	0.18	11,240,040	148,968
WM Pool - Fixed Interest Trust No. 5	36,199	0.13	3,787,660	65,945
WM Pool - Fixed Interest Trust No. 17	46,653	0.69	4,811,493	83,346
WM Pool - Fixed Interest Trust No. 22	28,094	0.46	2,649,379	-
WM Sector - Diversified Debt (Short) Trust	251,647	0.53	25,629,061	498,647
	11,339,945		48,117,633	796,906
<b>2019</b>				
Antares Enhanced Cash Trust	12,522,371	0.17	12,822,720	310,312
WM Pool - Fixed Interest Trust No. 5	38,322	0.14	4,244,478	142,945
WM Pool - Fixed Interest Trust No. 17	55,195	0.50	5,710,181	129,862
WM Pool - Fixed Interest Trust No. 22	29,251	0.21	2,806,957	2,163
WM Sector - Diversified Debt (Short) Trust	275,264	0.45	28,183,468	573,230
	12,920,403		53,767,804	1,158,512
<b>Australian Share Index Fund</b>				
<b>2020</b>				
WM Pool - Equities Trust No. 30	70,889,030	6.62	74,489,342	5,338,719
<b>2019</b>				
WM Pool - Equities Trust No. 30	69,099,195	6.42	84,175,533	5,149,933
<b>Horizon 7 Accelerated Growth Portfolio</b>				
<b>2020</b>				
MLC Horizon 7 Trust	56,648,269	8.16	68,487,643	6,018,377
WM Pool - LTAR Part 1 NS Trust	50,867	0.67	4,270,025	343,115
WM Sector - Global Equities (Hedged) Trust	98,540	1.42	11,842,013	-
	56,797,676		84,599,681	6,361,492
<b>2019</b>				
MLC Horizon 7 Trust	44,648,451	6.68	63,891,888	5,479,944
WM Pool - LTAR Part 1 NS Trust	55,891	0.76	5,028,385	201,276
WM Sector - Global Equities (Hedged) Trust	88,330	1.16	10,904,220	-
	44,792,672		79,824,493	5,681,220

**NOTE 8 - RELATED PARTIES (CONTINUED)**

**(h) Related party investments (continued)**

MLC Investments Limited and its related parties	Number of unit/shares held	Interest held in the Scheme/Entity	Fair value of investment	Distributions/ Dividends received/ receivable
		%	\$	\$
<b>Index Plus - Conservative Growth Portfolio</b>				
<b>2020</b>				
WM Pool - Australian Equities Trust No.2	371,459	0.36	23,759,880	1,534,871
Antares Enhanced Cash Trust	9,245,279	0.15	9,466,519	104,912
WM Sector - Diversified Debt (All) Trust	120,695	0.38	12,416,541	482,420
WM Sector - Diversified Debt (Short) Trust	340,165	0.71	34,644,197	586,687
WM Pool - Equities Trust No. 60	85,386	3.46	8,451,395	416,602
WM Pool - Equities Trust No.65	82,224	2.26	11,571,947	-
WM Pool - Equities Trust No. 73	5,413	0.58	533,443	24,139
WM Pool - Equities Trust No.74	134,707	1.60	20,612,598	819,069
WM Pool Equities Trust No. 77	4,596,197	3.24	4,021,167	-
WM Pool - Fixed Interest Trust No. 24	66,190	0.49	6,758,321	107,387
WM Pool - Inflation Linked Securities Trust	3,380,246	0.38	3,952,653	94,033
	<u>18,427,961</u>		<u>136,188,661</u>	<u>4,170,120</u>
<b>2019</b>				
WM Pool - Australian Equities Trust No.2	207,665	0.22	15,474,126	1,081,162
Antares Enhanced Cash Trust	9,289,540	0.12	9,512,350	182,138
WM Sector - Diversified Debt (All) Trust	53,282	0.17	5,510,802	146,897
WM Sector - Diversified Debt (Short) Trust	199,620	0.33	20,438,463	321,092
WM Pool - Equities Trust No. 60	55,270	2.51	5,673,634	197,128
WM Pool - Equities Trust No.65	48,886	1.44	6,868,414	103
WM Pool - Equities Trust No. 73	7,209	0.13	725,960	17,825
WM Pool - Equities Trust No.74	85,040	1.05	13,083,953	312,108
WM Pool Equities Trust No. 77	2,136,977	1.55	2,304,886	2,348
WM Pool - Fixed Interest Trust No. 24	42,528	0.30	4,376,997	82,262
WM Pool - Inflation Linked Securities Trust	1,996,907	0.18	2,366,391	72,765
	<u>14,122,924</u>		<u>86,335,976</u>	<u>2,415,828</u>
<b>Index Plus - Balanced Portfolio</b>				
<b>2020</b>				
WM Pool - Australian Equities Trust No.2	623,497	0.61	39,881,163	2,618,144
Antares Enhanced Cash Trust	3,856,445	0.06	3,948,730	48,092
WM Sector - Diversified Debt (All) Trust	156,013	0.50	16,049,863	650,432
WM Sector - Diversified Debt (Short) Trust	122,628	0.26	12,489,100	206,004
WM Pool - Equities Trust No. 60	97,139	3.94	9,614,700	475,692
WM Pool - Equities Trust No.65	140,943	3.88	19,835,740	-
WM Pool - Equities Trust No. 73	10,238	1.10	1,008,905	40,694
WM Pool - Equities Trust No.74	189,334	2.25	28,971,433	1,162,168
WM Pool Equities Trust No. 77	6,659,148	4.69	5,826,022	-
WM Pool - Fixed Interest Trust No. 24	74,470	0.55	7,603,767	120,133
WM Pool - Inflation Linked Securities Trust	2,512,180	0.28	2,937,590	69,885
	<u>14,442,035</u>		<u>148,167,013</u>	<u>5,391,244</u>
<b>2019</b>				
WM Pool - Australian Equities Trust No.2	367,441	0.39	27,379,806	2,110,416
Antares Enhanced Cash Trust	10,279,569	0.14	10,526,125	216,652
WM Sector - Diversified Debt (All) Trust	69,735	0.22	7,212,481	224,829
WM Sector - Diversified Debt (Short) Trust	32,149	0.05	3,291,641	45,755
WM Pool - Equities Trust No. 60	68,932	3.13	7,076,036	263,302
WM Pool - Equities Trust No.65	95,771	2.82	13,455,782	190
WM Pool - Equities Trust No. 73	28,130	0.50	2,832,805	76,705
WM Pool - Equities Trust No.74	123,801	1.52	19,047,718	484,927
WM Pool Equities Trust No. 77	3,755,804	2.73	4,050,909	4,127
WM Pool - Fixed Interest Trust No. 24	47,051	0.33	4,842,550	107,906
WM Pool - Inflation Linked Securities Trust	1,699,517	0.15	2,013,975	62,460
	<u>16,567,900</u>		<u>101,729,828</u>	<u>3,597,269</u>
<b>Index Plus - Growth Portfolio</b>				
<b>2020</b>				
WM Pool - Australian Equities Trust No.2	356,809	0.35	22,822,824	1,469,646
Antares Enhanced Cash Trust	1,551,393	0.03	1,588,517	16,468
WM Sector - Diversified Debt (All) Trust	36,580	0.12	3,763,143	155,309
WM Sector - Diversified Debt (Short) Trust	22,198	0.05	2,260,735	36,492
WM Pool - Equities Trust No. 60	40,063	1.62	3,965,394	185,777
WM Pool - Equities Trust No.65	84,264	2.32	11,858,974	-
WM Pool - Equities Trust No. 73	3,964	0.43	390,637	11,766
WM Pool - Equities Trust No.74	124,236	1.48	19,010,319	794,527
WM Pool Equities Trust No. 77	3,282,531	2.31	2,871,854	-
WM Pool - Fixed Interest Trust No. 24	21,952	0.16	2,241,440	34,165
WM Pool - Inflation Linked Securities Trust	1,196,627	0.14	1,399,263	33,288
	<u>6,720,617</u>		<u>72,173,100</u>	<u>2,737,438</u>

**NOTE 8 - RELATED PARTIES (CONTINUED)**

**(h) Related party investments (continued)**

MLC Investments Limited and its related parties	Number of unit/shares held	Interest held in the Scheme/Entity	Fair value of investment	Distributions/ Dividends received/ receivable
		%	\$	\$
<b>Index Plus - Growth Portfolio (continued)</b>				
<b>2019</b>				
WM Pool - Australian Equities Trust No.2	188,720	0.20	14,062,408	1,008,941
Antares Enhanced Cash Trust	3,003,783	0.04	3,075,829	58,542
WM Sector - Diversified Debt (All) Trust	13,449	0.04	1,391,037	38,889
WM Sector - Diversified Debt (Short) Trust	5,676	0.01	581,147	6,951
WM Pool - Equities Trust No. 60	23,099	1.05	2,371,145	93,749
WM Pool - Equities Trust No.65	48,749	1.44	6,849,261	100
WM Pool - Equities Trust No. 73	8,202	0.15	825,949	20,305
WM Pool - Equities Trust No.74	74,246	0.91	11,423,345	287,839
WM Pool Equities Trust No. 77	1,603,536	1.16	1,729,531	1,967
WM Pool - Fixed Interest Trust No. 24	13,188	0.09	1,357,294	26,068
WM Pool - Inflation Linked Securities Trust	826,573	0.07	979,512	23,618
	<u>5,809,221</u>		<u>44,646,458</u>	<u>1,566,969</u>
<b>Inflation Plus Assertive Portfolio</b>				
<b>2020</b>				
WM Pool - LTAR Part 1 NS Trust	<u>4,038,365</u>	<u>54</u>	<u>339,000,472</u>	<u>29,420,545</u>
<b>2019</b>				
WM Pool - LTAR Part 1 NS Trust	<u>4,494,228</u>	61.28	<u>404,334,593</u>	<u>17,309,801</u>
<b>Diversified Debt Fund</b>				
<b>2020</b>				
WM Sector - Diversified Debt (All) Trust	<u>966,537</u>	<u>3.08</u>	<u>99,432,857</u>	<u>4,802,537</u>
WM Pool - Fixed Interest Trust No. 5	<u>57,986</u>	<u>0.20</u>	<u>6,067,226</u>	<u>104,704</u>
	<u>1,024,523</u>		<u>105,500,083</u>	<u>4,907,241</u>
<b>2019</b>				
WM Sector - Diversified Debt (All) Trust	1,095,608	3.40	113,315,686	4,215,531
WM Pool - Fixed Interest Trust No. 5	<u>59,967</u>	0.22	<u>6,641,914</u>	<u>238,570</u>
	<u>1,155,575</u>		<u>119,957,600</u>	<u>4,454,101</u>
<b>Global Property Fund</b>				
<b>2020</b>				
WM Pool - Global Properties Trust	<u>409,197</u>	<u>3.85</u>	<u>41,059,935</u>	<u>-</u>
<b>2019</b>				
WM Pool - Global Properties Trust	<u>464,743</u>	4.50	<u>57,444,083</u>	<u>575,290</u>
<b>Hedged Global Share Fund</b>				
<b>2020</b>				
WM Sector - Global Equities (Hedged) Trust	<u>-</u>	-	<u>-</u>	<u>-</u>
<b>2019</b>				
WM Sector - Global Equities (Hedged) Trust	<u>239,373</u>	3.16	<u>29,550,336</u>	<u>-</u>

**NOTE 8 - RELATED PARTIES (CONTINUED)**

**(i) Unitholder investing activities**

Details of holdings in the Schemes by MLC Investments Limited and its related parties or other Schemes managed by MLC Investments Limited and its related parties are set out below:

MLC Investments Limited and its related parties	Number of units/shares held	Interest held in the Scheme/Entity %	Fair value of investment \$	Distributions paid/ payable \$
<b>Horizon 4 Balanced Portfolio</b>				
<b>2020</b>				
Masterkey Investment Services	281,728,628	16.31	326,563,548	15,401,861
MLC Limited	205,660,314	11.91	238,389,553	11,227,001
MLC Navigator Investment Platform	948,033,815	54.90	1,098,906,023	50,768,113
<b>2019</b>				
Masterkey Investment Services	313,081,458	19.52	390,188,171	10,200,380
MLC Limited	222,040,037	13.84	276,724,775	7,381,272
MLC Navigator Investment Platform	788,017,861	49.12	982,093,447	24,097,895
<b>Horizon 3 Conservative Growth Portfolio</b>				
<b>2020</b>				
Masterkey Investment Services	243,885,565	26.29	264,561,057	10,435,685
MLC Limited	36,558,972	3.94	39,658,272	1,553,325
MLC Navigator Investment Platform	553,837,893	59.70	600,789,711	23,081,662
<b>2019</b>				
Masterkey Investment Services	265,553,971	30.38	303,226,143	13,570,528
MLC Limited	39,787,747	4.56	45,432,139	2,045,789
MLC Navigator Investment Platform	488,833,663	55.93	558,180,868	24,514,270
<b>Income Builder</b>				
<b>2020</b>				
Masterkey Investment Services	133,209,182	50.10	174,354,832	12,092,723
MLC Investments Ltd	-	-	-	-
MLC Navigator Investment Platform	111,087,750	41.78	145,400,532	9,934,621
<b>2019</b>				
Masterkey Investment Services	146,268,113	51.45	244,654,375	23,939,949
MLC Investments Ltd	3,457,185	1.22	5,782,637	554,398
MLC Navigator Investment Platform	107,586,829	37.84	179,954,385	17,477,391
<b>Inflation Plus - Moderate Portfolio</b>				
<b>2020</b>				
Masterkey Investment Services	57,880,437	11.28	59,384,578	3,288,494
MLC Investments Ltd	124	-	127	7
MLC Navigator Investment Platform	393,640,076	76.70	403,869,608	22,329,144
<b>2019</b>				
Masterkey Investment Services	66,984,807	12.19	71,796,603	2,679,392
MLC Investments Ltd	119	-	128	5
MLC Navigator Investment Platform	429,861,524	78.26	460,740,258	17,194,461
<b>Horizon 5 Growth Portfolio</b>				
<b>2020</b>				
Masterkey Investment Services	82,106,057	19.43	99,129,365	1,773,346
MLC Limited	2,941,147	0.70	3,550,944	65,660
MLC Navigator Investment Platform	266,406,975	63.03	321,641,972	5,602,998
<b>2019</b>				
Masterkey Investment Services	85,451,775	21.45	108,351,790	2,727,706
MLC Limited	3,370,131	0.85	4,273,284	109,353
MLC Navigator Investment Platform	237,385,284	59.58	301,001,593	7,248,171

**NOTE 8 - RELATED PARTIES (CONTINUED)**

**(i) Unitholder investing activities (continued)**

MLC Investments Limited and its related parties	Number of units/shares held	Interest held in the Scheme/Entity %	Fair value of investment \$	Distributions paid/ payable \$
<b>Horizon 2 Income Portfolio</b>				
<b>2020</b>				
Masterkey Investment Services	133,885,909	35.19	130,908,145	4,430,414
MLC Investments Ltd	3,662	-	3,580	119
MLC Limited	31,804,142	8.36	31,096,785	1,048,120
MLC Navigator Investment Platform	185,985,410	48.88	181,848,898	6,027,423
<b>2019</b>				
Masterkey Investment Services	149,428,769	38.48	156,013,779	5,620,347
MLC Investments Ltd	3,549	-	3,706	131
MLC Limited	34,084,635	8.78	35,586,673	1,291,542
MLC Navigator Investment Platform	171,996,342	44.29	179,575,858	6,393,161
<b>Inflation Plus - Conservative Portfolio</b>				
<b>2020</b>				
Masterkey Investment Services	37,192,177	18.16	38,203,947	1,693,045
MLC Investments Ltd	119	-	123	5
MLC Limited	-	-	-	-
MLC Navigator Investment Platform	151,580,604	74.02	155,704,178	6,934,435
<b>2019</b>				
Masterkey Investment Services	45,879,569	17.61	48,718,382	1,830,195
MLC Investments Ltd	115	-	122	5
MLC Navigator Investment Platform	202,090,461	77.57	214,594,875	8,034,860
<b>Horizon 6 Share Portfolio</b>				
<b>2020</b>				
Masterkey Investment Services	60,406,662	26.02	66,962,705	4,530,500
MLC Investments Ltd	-	-	-	-
MLC Limited	22,937,021	9.88	25,426,418	1,720,276
MLC Navigator Investment Platform	119,023,661	51.28	131,941,512	8,926,774
<b>2019</b>				
Masterkey Investment Services	61,642,110	28.59	76,051,813	5,547,790
MLC Limited	24,035,346	11.14	29,653,944	2,163,181
MLC Navigator Investment Platform	106,763,166	49.52	131,720,545	9,608,685
<b>Property Securities Fund</b>				
<b>2020</b>				
Masterkey Investment Services	25,710,712	19.89	15,894,702	445,843
MLC Limited	21,881,217	16.93	13,527,258	390,087
MLC Navigator Investment Platform	62,234,511	48.14	38,474,198	1,146,395
<b>2019</b>				
Masterkey Investment Services	25,975,111	17.77	20,413,370	628,533
MLC Limited	23,024,026	15.76	18,094,166	567,510
MLC Navigator Investment Platform	69,905,595	47.82	54,937,544	1,780,536
<b>Global Share Fund</b>				
<b>2020</b>				
Masterkey Investment Services	20,988,356	21.74	18,770,708	2,165,998
MLC Limited	8,828,884	9.15	7,896,017	911,141
MLC Navigator Investment Platform	58,184,855	60.26	52,036,994	6,004,677
<b>2019</b>				
Masterkey Investment Services	22,804,854	20.63	22,641,782	1,974,900
MLC Limited	8,478,208	7.67	8,417,582	734,212
MLC Navigator Investment Platform	66,333,018	60.01	65,858,686	5,744,439



**NOTE 8 - RELATED PARTIES (CONTINUED)**

**(i) Unitholder investing activities (continued)**

MLC Investments Limited and its related parties	Number of units/shares held	Interest held in the Scheme/Entity %	Fair value of investment \$	Distributions paid/ payable \$
<b>Australian Share Fund</b>				
<b>2020</b>				
Masterkey Investment Services	30,304,092	20.47	26,177,678	1,892,641
MLC Limited	77,536,176	52.37	66,978,316	4,866,923
MLC Navigator Investment Platform	38,295,225	25.87	33,080,683	2,357,052
<b>2019</b>				
Masterkey Investment Services	30,143,073	20.62	30,107,435	2,658,368
MLC Limited	80,763,291	55.24	80,667,804	7,269,858
MLC Navigator Investment Platform	33,488,118	22.90	33,448,524	2,975,090
<b>Platinum Global Fund</b>				
<b>2020</b>				
Masterkey Investment Services	-	-	-	-
MLC Navigator Investment Platform	-	-	-	-
<b>2019</b>				
Masterkey Investment Services	1,179,129	2.21	1,107,994	185,359
MLC Navigator Investment Platform	24,144,602	45.18	22,687,983	3,795,531
<b>Horizon 1 Bond Portfolio</b>				
<b>2020</b>				
Masterkey Investment Services	9,468,263	19.73	9,524,253	162,314
MLC Investments Ltd	3,293	0.01	3,313	53
MLC Limited	5,426,335	11.31	5,458,423	87,430
MLC Navigator Investment Platform	32,790,705	68.34	32,984,609	530,777
<b>2019</b>				
Masterkey Investment Services	13,393,656	25.15	13,621,161	263,252
MLC Investments Ltd	3,250	0.01	3,305	61
MLC Limited	5,774,176	10.84	5,872,256	109,871
MLC Navigator Investment Platform	33,652,192	63.20	34,223,809	657,597
<b>Australian Share Index Fund</b>				
<b>2020</b>				
Masterkey Investment Services	53,297,266	86.87	64,725,697	4,590,750
MLC Investments Ltd	153	-	186	13
MLC Limited	7,633,324	12.44	9,270,124	653,535
MLC Navigator Investment Platform	424,063	0.69	514,994	34,290
<b>2019</b>				
Masterkey Investment Services	51,589,041	86.58	72,838,732	4,604,190
MLC Investments Ltd	146	-	207	13
MLC Limited	7,552,194	12.68	10,662,967	682,540
MLC Navigator Investment Platform	440,607	0.74	622,094	42,231
<b>Horizon 7 Accelerated Growth Portfolio</b>				
<b>2020</b>				
Masterkey Investment Services	11,349,421	19.88	17,026,434	729,768
MLC Navigator Investment Platform	38,721,407	67.83	58,089,967	2,489,786
<b>2019</b>				
Masterkey Investment Services	11,265,143	23.51	18,907,104	465,250
MLC Navigator Investment Platform	31,215,522	65.15	52,391,267	1,289,201
<b>Index Plus - Conservative Growth Portfolio</b>				
<b>2020</b>				
MLC Navigator Investment Platform	104,500,254	78.00	108,339,397	3,108,804
MLC Super Fund	11,101,255	8.29	11,509,094	342,556
<b>2019</b>				
MLC Navigator Investment Platform	62,723,266	77.15	66,916,842	1,891,967
MLC Super Fund	10,836,574	13.33	11,561,089	354,987

**NOTE 8 - RELATED PARTIES (CONTINUED)**

**(i) Unitholder investing activities (continued)**

MLC Investments Limited and its related parties	Number of units/shares held	Interest held in the Scheme/Entity %	Fair value of investment \$	Distributions paid/ payable \$
<b>Index Plus - Balanced Portfolio</b>				
<b>2020</b>				
MLC Navigator Investment Platform	120,026,307	82.80	124,534,858	4,408,196
MLC Super Fund	11,382,149	7.85	11,809,697	428,378
<b>2019</b>				
MLC Navigator Investment Platform	81,605,825	86.39	88,665,389	3,052,719
MLC Super Fund	11,065,814	11.71	12,023,097	430,644
<b>Index Plus - Growth Portfolio</b>				
<b>2020</b>				
MLC Navigator Investment Platform	52,260,217	74.68	54,656,470	1,913,826
MLC Super Fund	11,443,804	16.35	11,968,529	431,932
<b>2019</b>				
MLC Navigator Investment Platform	28,271,711	69.82	31,290,959	1,052,395
MLC Super Fund	11,114,321	27.45	12,301,263	453,520
<b>Inflation Plus Assertive Portfolio</b>				
<b>2020</b>				
Masterkey Investment Services	39,003,287	10.32	35,250,975	2,538,974
MLC Navigator Investment Platform	257,807,198	68.23	233,004,855	17,092,618
P.K Gupta	578,439	0.15	522,790	38,351
<b>2019</b>				
Masterkey Investment Services	40,368,663	9.58	38,812,962	1,161,095
MLC Navigator Investment Platform	310,619,910	73.70	298,649,444	9,318,597
P.K Gupta	578,439	0.14	556,147	17,353
<b>Diversified Debt Fund</b>				
<b>2020</b>				
Masterkey Investment Services	15,890,450	15.31	16,227,595	684,955
MLC Investments Ltd	173	-	176	7
MLC Navigator Investment Platform	86,090,388	82.98	87,916,953	3,744,936
<b>2019</b>				
Masterkey Investment Services	18,508,374	15.80	19,058,474	616,393
MLC Investments Ltd	168	-	173	5
MLC Navigator Investment Platform	94,780,525	80.92	97,597,561	3,244,320
<b>Global Property Fund</b>				
<b>2020</b>				
Masterkey Investment Services	-	-	-	-
MLC Investments Ltd	-	-	-	-
MLC Navigator Investment Platform	-	-	-	-
<b>2019</b>				
Masterkey Investment Services	14,041,279	19.05	10,992,230	1,404
MLC Investments Ltd	202	-	158	-
MLC Navigator Investment Platform	54,150,750	73.46	42,391,971	5,415
<b>Hedged Global Share Fund</b>				
<b>2020</b>				
Masterkey Investment Services	-	-	-	-
MLC Investments Ltd	-	-	-	-
MLC Navigator Investment Platform	-	-	-	-
<b>2019</b>				
Masterkey Investment Services	7,242,734	26.93	8,034,423	-
MLC Investments Ltd	170	-	189	-
MLC Navigator Investment Platform	17,902,085	66.55	19,858,929	-

## **NOTE 9 - INVESTMENT IN CONTROLLED ENTITIES**

The Schemes meet the definition of an investment entity. Therefore they do not consolidate their underlying controlled entities.

The ownership and investment interest for the Schemes' underlying controlled entities are detailed in Note 8(h). The principal place of business of the Responsible Entity is the MLC Building, 105-153 Miller St, North Sydney NSW 2060.

### *Restrictions*

The Schemes receive income in the form of distributions and interest from their investments in unconsolidated controlled entities, and there are no significant restrictions on the transfer of funds from these entities to the Schemes.

### *Support*

The Schemes did not provide any support during the year (2019: nil) to their underlying controlled entities. The Schemes have no contractual commitments or current intentions to provide any other financial or other support to their unconsolidated controlled entities.

## **NOTE 10 - FINANCIAL RISK MANAGEMENT**

### **(a) Financial risk management objectives, policies and processes**

The Schemes' activities expose them to a variety of financial risks: credit risk, market risk (including currency risk, interest rate risk, equity and other price risk), liquidity and cash flow risk. The Schemes' overall risk management programme is aligned to the investment strategy of each Scheme as detailed in their Constitution and Product Disclosure Statement. It focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Schemes' financial performance. The Responsible Entity monitors the risk management framework, which is performed internally and reported on a quarterly basis.

### **(b) Credit risk**

The Schemes take on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due.

There was no significant direct credit risk in the Schemes as at 30 June 2020 (2019: Nil).

The Schemes minimise their exposure to credit risk on cash equivalents by only holding instruments with top-tier financial institutions.

### **(c) Market risks**

#### *(i) Currency risk*

Currency risk is the risk that the fair value of future cash flows of the financial instrument will fluctuate due to changes in foreign exchange rates.

There was no significant foreign exchange risk in the Schemes as at 30 June 2020 (2019: Nil).

#### *(ii) Interest rate risk*

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments.

There was no significant direct interest risk in the Schemes as at 30 June 2020 (2019: Nil).

#### *(iii) Equity and other price risk*

Equity and other price risk is the risk that the fair value of equities and unit prices decrease as a result of changes in market prices, whether those are caused by factors specific to the individual stock or factors affecting all instruments in the market.

To mitigate the impact of equity and other price risk, the investment process ensures there is diversification of equity exposures within the Schemes.

The tables represent what is considered to be a reasonably possible change rather than extreme fluctuations that may occur from time to time. As such, actual future market movement may differ.

The effect on the Statements of Profit or Loss and Other Comprehensive Income due to reasonably possible changes in market factors, as represented by the equity indices, with all other variables held constant are indicated in the following tables:

#### **Horizon 4 Balanced Portfolio**

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Australian Equities Funds	10%	(10%)	54,032	(54,032)	10%	(10%)	57,553	(57,553)
International Equities Funds	10%	(10%)	56,810	(56,810)	10%	(10%)	56,914	(56,914)
Property Equities Funds	10%	(10%)	7,034	(7,034)	10%	(10%)	7,756	(7,756)
Fixed Interest Funds	10%	(10%)	81,948	(81,948)	10%	(10%)	77,704	(77,704)
Total			199,824	(199,824)			199,927	(199,927)

#### **Horizon 3 Conservative Growth Fund**

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Australian Equities Funds	10%	(10%)	17,394	(17,394)	10%	(10%)	18,733	(18,733)
International Equities Funds	10%	(10%)	21,893	(21,893)	10%	(10%)	21,794	(21,794)
Property Equities Funds	10%	(10%)	2,655	(2,655)	10%	(10%)	2,822	(2,822)
Fixed Interest Funds	10%	(10%)	58,254	(58,254)	10%	(10%)	56,359	(56,359)
Total			100,196	(100,196)			99,708	(99,708)

NOTE 10 - FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Market risk (continued)

(iii) Equity and other price risk (continued)

Income Builder

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Australian Equities Funds	10%	(10%)	34,246	(34,246)	10%	(10%)	47,303	(47,303)
Total			34,246	(34,246)			47,303	(47,303)

Inflation Plus - Moderate Portfolio

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Australian Equities Funds	10%	(10%)	4,132	(4,132)	10%	(10%)	-	-
International Equities Funds	10%	(10%)	7,625	(7,625)	10%	(10%)	-	-
Fixed Interest Funds	10%	(10%)	40,613	(40,613)	10%	(10%)	58,627	(58,627)
Total			52,370	(52,370)			58,627	(58,627)

Horizon 5 Growth Portfolio

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Australian Equities Funds	10%	(10%)	15,733	(15,733)	10%	-10%	16,329	(16,329)
International Equities Funds	10%	(10%)	18,019	(18,019)	10%	-10%	17,700	(17,700)
Property Equities Funds	10%	(10%)	1,809	(1,809)	10%	-10%	2,021	(2,021)
Fixed Interest Funds	10%	(10%)	15,240	(15,240)	10%	-10%	14,343	(14,343)
Total			50,801	(50,801)			50,393	(50,393)

Horizon 2 Income Portfolio

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Australian Equities Funds	10%	(10%)	5,453	(5,453)	10%	(10%)	5,740	(5,740)
International Equities Funds	10%	(10%)	2,604	(2,604)	10%	(10%)	2,356	(2,356)
Property Equities Funds	10%	(10%)	2,511	(2,511)	10%	(10%)	2,364	(2,364)
Fixed Interest Funds	10%	(10%)	26,575	(26,575)	10%	(10%)	30,021	(30,021)
Total			37,143	(37,143)			40,481	(40,481)

Inflation Plus - Conservative Portfolio

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Australian Equities Funds	10%	(10%)	1,159	(1,159)	10%	(10%)	-	-
International Equities Funds	10%	(10%)	1,541	(1,541)	10%	(10%)	-	-
Fixed Interest Funds	10%	(10%)	18,264	(18,264)	10%	(10%)	27,670	(27,670)
Total			20,964	(20,964)			27,670	(27,670)

Horizon 6 Share Portfolio

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Australian Equities Funds	10%	(10%)	10,060	(10,060)	10%	(10%)	10,779	(10,779)
International Equities Funds	10%	(10%)	12,069	(12,069)	10%	(10%)	12,280	(12,280)
Property Equities Funds	10%	(10%)	286	(286)	10%	(10%)	467	(467)
Fixed Interest Funds	10%	(10%)	3,341	(3,341)	10%	(10%)	3,327	(3,327)
Total			25,756	(25,756)			26,853	(26,853)

NOTE 10 - FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Market risk (continued)

(iii) Equity and other price risk (continued)

Property Securities Fund

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Property Equities Funds	10%	(10%)	7,976	(7,976)	10%	(10%)	11,497	(11,497)
Total			7,976	(7,976)			11,497	(11,497)

Global Share Fund

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
International Equities Funds	10%	(10%)	8,659	(8,659)	10%	(10%)	10,975	(10,975)
Total			8,659	(8,659)			10,975	(10,975)

Australian Share Fund

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Australian Equities Funds	10%	(10%)	13,018	(13,018)	10%	(10%)	14,927	(14,927)
Total			13,018	(13,018)			14,927	(14,927)

Platinum Global Fund

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
International Equities Funds	10%	(10%)	-	-	10%	(10%)	7,289	(7,289)
Total			-	-			7,289	(7,289)

Horizon 1 Bond Fund

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Fixed Interest Funds	10%	(10%)	4,812	(4,812)	10%	(10%)	5,013	(5,013)
Total			4,812	(4,812)			5,013	(5,013)

Australian Share Index Fund

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Australian Equities Funds	10%	(10%)	7,449	(7,449)	10%	(10%)	8,418	(8,418)
Total			7,449	(7,449)			8,418	(8,418)

Horizon 7 Accelerated Growth Fund

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Australian Equities funds	10%	(10%)	3,326	(3,326)	10%	(10%)	3,495	(3,495)
International Equities Funds	10%	(10%)	4,574	(4,574)	10%	(10%)	4,076	(4,076)
Property Equities Funds	10%	(10%)	-	-	10%	(10%)	415	(415)
Fixed Interest Funds	10%	(10%)	561	(561)	10%	(10%)	-	-
Total			8,461	(8,461)			7,986	(7,986)

NOTE 10 - FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Market risk (continued)

(iii) Equity and other price risk (continued)

Index Plus - Conservative Growth Portfolio

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Australian Equities Funds	10%	(10%)	2,471	(2,471)	10%	(10%)	1,571	(1,571)
International Equities Funds	10%	(10%)	3,176	(3,176)	10%	(10%)	1,949	(1,949)
Property Equities Funds	10%	(10%)	384	(384)	10%	(10%)	225	(225)
Fixed Interest Funds	10%	(10%)	7,589	(7,589)	10%	(10%)	4,890	(4,890)
Total			13,620	(13,620)			8,635	(8,635)

Index Plus - Balanced Portfolio

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Australian Equities Funds	10%	(10%)	4,094	(4,094)	10%	(10%)	2,789	(2,789)
International Equities Funds	10%	(10%)	4,758	(4,758)	10%	(10%)	3,244	(3,244)
Property Equities Funds	10%	(10%)	557	(557)	10%	(10%)	397	(397)
Fixed Interest Funds	10%	(10%)	5,409	(5,409)	10%	(10%)	3,741	(3,741)
Total			14,818	(14,818)			10,171	(10,171)

Index Plus - Growth Portfolio

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Australian Equities Funds	10%	(10%)	2,327	(2,327)	10%	(10%)	1,459	(1,459)
International Equities Funds	10%	(10%)	2,981	(2,981)	10%	(10%)	1,785	(1,785)
Property Equities Funds	10%	(10%)	275	(275)	10%	(10%)	188	(188)
Fixed Interest Funds	10%	(10%)	1,635	(1,635)	10%	(10%)	1,033	(1,033)
Total			7,218	(7,218)			4,465	(4,465)

Inflation Plus - Assertive Portfolio

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Australian Equities Funds	10%	(10%)	2,912	(2,912)	10%	(10%)	2,580	(2,580)
International Equities Funds	10%	(10%)	10,699	(10,699)	10%	(10%)	22,627	(22,627)
Fixed Interest Funds	10%	(10%)	20,289	(20,289)	10%	(10%)	15,227	(15,227)
Total			33,900	(33,900)			40,434	(40,434)

Diversified Debt Fund

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Fixed Interest Funds	10%	(10%)	10,551	(10,551)	10%	(10%)	11,996	(11,996)
Total			10,551	(10,551)			11,996	(11,996)

Global Property Fund

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
Property Equities Funds	10%	(10%)	4,106	(4,106)	10%	(10%)	5,744	(5,744)
Total			4,106	(4,106)			5,744	(5,744)

**NOTE 10 - FINANCIAL RISK MANAGEMENT (CONTINUED)**

**(c) Market risk (continued)**

**(iii) Equity and other price risk (continued)**

**Hedged Global Share Fund**

Category	2020				2019			
	Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000		Change in price %		Effect on Statements of Profit or Loss and Other Comprehensive Income \$'000	
International Equities Funds	10%	(10%)	-	-	10%	(10%)	2,955	(2,955)
Total			-	-			2,955	(2,955)

**(d) Liquidity and cash flow risk**

The Schemes are exposed to daily cash redemptions of redeemable units. Therefore, they invest the majority of their assets either in unlisted schemes with daily redemptions, or in investments that are readily disposed of in an active market, which under normal market conditions are readily convertible to cash.

Unitholders funds are repayable on demand, subject to redemption freeze provisions. In addition the Schemes' policy is to maintain sufficient cash and cash equivalents to meet normal operating requirements and expected redemption requests.

In accordance with the Schemes' policies, the Schemes' liquidity position is monitored on a daily basis, and the Responsible Entity reviews this on a quarterly basis.

The Schemes' liabilities are expected to be settled within less than one month, except for amounts owing to the Responsible Entity which are expected to be settled within one to three months.

**(e) Fair value of financial instruments**

The Schemes' financial assets and financial liabilities are measured at fair value at the end of each reporting period. The investments by the Schemes that are in unlisted managed investment schemes are all classified as Level 2 and there have been no transfers between the levels during the year.

Financial assets / (financial liabilities)	Fair Value Hierarchy	Valuation Techniques
Unlisted managed investment funds	2	Valued at redemption price as established by the Responsible Entity of the underlying trust.

**NOTE 11 - NOTES TO THE STATEMENTS OF CASH FLOWS**

	Horizon 4 Balanced Portfolio		Horizon 3 Conservative Growth Portfolio		Income Builder		Inflation Plus - Moderate Portfolio	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>(a) Reconciliation of operating profit to net cash flows from operating activities</b>								
Net operating (loss)/profit	(61,685)	127,276	(16,067)	54,406	(75,869)	40,824	6,005	19,213
Income reinvested	(96,319)	(83,963)	(31,377)	(35,375)	(31,197)	(46,275)	(33,822)	(25,175)
Changes in the fair value of investments	171,191	(31,654)	58,554	(9,214)	112,204	11,368	24,962	3,305
Changes in assets and liabilities during the financial year:								
(Increase)/decrease in distribution receivables	(1,030)	247	-	-	-	-	-	-
(Increase)/decrease in other receivables	84	1,565	(14)	1,164	133	1,084	3	-
Increase/(decrease) in payables	1	-	1	1	-	1	(5)	25
<b>Net cash provided by/(used in) operating activities</b>	<b>12,242</b>	<b>13,471</b>	<b>11,097</b>	<b>10,982</b>	<b>5,271</b>	<b>7,002</b>	<b>(2,857)</b>	<b>(2,632)</b>
<b>(b) Cash and cash equivalents</b>								
For the purposes of the Statements of Cash Flows, cash includes cash at bank, and short term deposits at call. Cash at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the Statements of Financial Position as follows:								
Cash at bank	77,383	20,208	33,945	31,922	16,462	32,310	30,502	24,658
Cash on deposit - domestic	-	-	-	-	-	-	-	-
	<b>77,383</b>	<b>20,208</b>	<b>33,945</b>	<b>31,922</b>	<b>16,462</b>	<b>32,310</b>	<b>30,502</b>	<b>24,658</b>
<b>(c) Non-cash financing and investing activities</b>								
Distributions to unitholders reinvested	7,387	9,701	2,787	2,907	1,417	773	325	170
	<b>7,387</b>	<b>9,701</b>	<b>2,787</b>	<b>2,907</b>	<b>1,417</b>	<b>773</b>	<b>325</b>	<b>170</b>

NOTE 11 - NOTES TO THE STATEMENTS OF CASH FLOWS (CONTINUED)

	Horizon 5 Growth Portfolio		Horizon 2 Income Portfolio		Inflation Plus - Conservative Portfolio		Horizon 6 Share Portfolio	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>(a) Reconciliation of operating profit to net cash flows from operating activities</b>								
Net operating (loss)/profit	(16,751)	34,946	(13,485)	17,798	2,537	8,175	(12,096)	21,870
Income reinvested	(24,086)	(13,428)	(13,910)	(15,972)	(10,639)	(11,417)	(17,647)	(17,384)
Changes in the fair value of investments	46,167	(16,778)	26,187	(3,310)	7,211	2,021	31,969	(2,496)
Changes in assets and liabilities during the financial year:								
(Increase)/decrease in distribution receivables	-	-	221	358	-	-	(46)	65
(Increase)/decrease in other receivables	(5)	607	1	-	1	-	9	317
Increase/(decrease) in payables	1	9	(14)	(28)	(30)	3	-	1
<b>Net cash provided by/(used in) operating activities</b>	<b>5,326</b>	<b>5,356</b>	<b>(1,000)</b>	<b>(1,154)</b>	<b>(920)</b>	<b>(1,218)</b>	<b>2,189</b>	<b>2,373</b>

**(b) Cash and cash equivalents**

For the purposes of the Statements of Cash Flows, cash includes cash at bank, and short term deposits at call. Cash at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the Statements of Financial Position as follows:

Cash at bank	6,809	6,448	10,151	10,163	8,979	8,868	16,913	16,598
Cash on deposit - domestic	-	-	-	-	-	-	-	-
	<b>6,809</b>	<b>6,448</b>	<b>10,151</b>	<b>10,163</b>	<b>8,979</b>	<b>8,868</b>	<b>16,913</b>	<b>16,598</b>

**(c) Non-cash financing and investing activities**

Distributions to unitholders reinvested	560	1,248	1,521	2,046	53	50	3,107	685
	<b>560</b>	<b>1,248</b>	<b>1,521</b>	<b>2,046</b>	<b>53</b>	<b>50</b>	<b>3,107</b>	<b>685</b>

	Property Securities Fund		Global Share Fund		Australian Share Fund		Platinum Global Fund	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$	2019 \$
<b>(a) Reconciliation of operating profit to net cash flows from operating activities</b>								
Net operating (loss)/profit	(19,710)	18,070	1,019	11,292	(11,064)	12,147	4,083,419	(666,577)
Income reinvested	(2,658)	(4,152)	(11,018)	(11,936)	(10,676)	(14,056)	-	(4,287,012)
Changes in the fair value of investments	22,040	(14,274)	9,528	153	21,042	1,224	(3,892,997)	5,382,406
Changes in assets and liabilities during the financial year:								
(Increase)/decrease in distribution receivables	-	-	-	-	-	-	-	-
(Increase)/decrease in other receivables	-	-	-	-	1	-	28,909	119,330
Increase/(decrease) in payables	(8)	-	(6)	1	(7)	3	(445)	95
<b>Net cash (used in)/provided by operating activities</b>	<b>(336)</b>	<b>(356)</b>	<b>(477)</b>	<b>(490)</b>	<b>(704)</b>	<b>(682)</b>	<b>218,886</b>	<b>548,242</b>
<b>(b) Cash and cash equivalents</b>								

For the purposes of the Statements of Cash Flows, cash includes cash at bank, and short term deposits at call. Cash at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the Statements of Financial Position as follows:

Cash at bank	180	994	9,756	9,601	4,092	3,279	-	8,454,605
	<b>180</b>	<b>994</b>	<b>9,756</b>	<b>9,601</b>	<b>4,092</b>	<b>3,279</b>	<b>-</b>	<b>8,454,605</b>

**(c) Non-cash financing and investing activities**

Distributions to unitholders reinvested	608	861	1,194	2,472	5,132	10,009	459,198	811,969
	<b>608</b>	<b>861</b>	<b>1,194</b>	<b>2,472</b>	<b>5,132</b>	<b>10,009</b>	<b>459,198</b>	<b>811,969</b>



NOTE 11 - NOTES TO THE STATEMENTS OF CASH FLOWS (CONTINUED)

	Horizon 1 Bond Portfolio		Australian Share Index Fund		Horizon 7 Accelerated Growth Portfolio		Index Plus - Conservative Growth Portfolio	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>(a) Reconciliation of operating profit to net cash flows from operating activities</b>								
Net operating (loss)/profit	212	1,440	(6,834)	8,192	(5,996)	7,101	(822)	4,367
Income reinvested	(842)	(1,089)	(5,338)	(5,149)	(6,361)	(5,681)	(3,504)	(2,430)
Changes in the fair value of investments	426	(454)	11,975	(3,225)	11,826	(1,856)	4,814	(2,038)
Changes in assets and liabilities during the financial year:								
(Increase)/decrease in distribution receivables	44	(70)	-	-	-	-	(666)	14
(Increase)/decrease in other receivables	-	-	-	-	-	-	-	-
Increase/(decrease) in payables	(1)	-	(1)	-	6	3	(1)	5
<b>Net cash (used in)/provided by operating activities</b>	<b>(161)</b>	<b>(173)</b>	<b>(198)</b>	<b>(182)</b>	<b>(525)</b>	<b>(433)</b>	<b>(179)</b>	<b>(82)</b>

**(b) Cash and cash equivalents**

For the purposes of the Statements of Cash Flows, cash includes cash at bank, and short term deposits at call. Cash at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the Statements of Financial Position as follows:

Cash at bank	631	753	3,310	1,720	4,751	2,604	4,771	1,304
	631	753	3,310	1,720	4,751	2,604	4,771	1,304

**(c) Non-cash financing and investing activities**

Distributions to unitholders reinvested	76	132	468	1,006	21	10	415	425
	76	132	468	1,006	21	10	415	425

	Index Plus - Balanced Portfolio		Index Plus - Growth Portfolio	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>(a) Reconciliation of operating profit to net cash flows from operating activities</b>				
Net operating (loss)/profit	(2,820)	6,776	(2,153)	3,525
Income reinvested	(4,310)	(3,929)	(2,061)	(1,201)
Changes in the fair value of investments	7,966	(3,315)	4,766	(2,022)
Changes in assets and liabilities during the financial year:				
(Increase)/decrease in distribution receivables	(1,082)	331	(676)	(366)
(Increase)/decrease in other receivables	1	-	-	-
Increase/(decrease) in payables	(2)	7	(1)	5
<b>Net cash (used in)/provided by operating activities</b>	<b>(247)</b>	<b>(130)</b>	<b>(125)</b>	<b>(59)</b>

**(b) Cash and cash equivalents**

For the purposes of the Statements of Cash Flows, cash includes cash at bank, and short term deposits at call. Cash at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the Statements of Financial Position as follows:

Cash at bank	4,672	1,945	2,088	638
	4,672	1,945	2,088	638

**(c) Non-cash financing and investing activities**

Distributions to unitholders reinvested	348	556	319	544
	348	556	319	544

**NOTE 11 - NOTES TO THE STATEMENTS OF CASH FLOWS (CONTINUED)**

	<b>Inflation Plus - Assertive Portfolio</b>		<b>Diversified Debt Fund</b>		<b>Global Property Fund</b>		<b>Hedged Global Share Fund</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$</b>	<b>\$</b>
<b>(a) Reconciliation of operating profit to net cash flows from operating activities</b>								
Net operating (loss)/profit	<b>3,957</b>	20,911	<b>3,719</b>	8,323	<b>(9,868)</b>	3,065	<b>(1,506,057)</b>	1,413,109
Income reinvested	<b>(29,421)</b>	(17,310)	<b>(4,907)</b>	(4,454)	-	(575)	-	-
Changes in the fair value of investments	<b>23,415</b>	(5,858)	<b>769</b>	(4,322)	<b>9,640</b>	(2,749)	<b>1,498,358</b>	(1,562,209)
Changes in assets and liabilities during the financial year:								
(Increase)/decrease in distribution receivables	-	-	-	-	-	-	-	-
(Increase)/decrease in other receivables	<b>1</b>	-	-	-	-	-	<b>157</b>	161
Increase/(decrease) in payables	<b>(8)</b>	(35)	-	(4)	<b>(2)</b>	(3)	<b>(9,796)</b>	28
<b>Net cash (used in)/provided by operating activities</b>	<b>(2,056)</b>	(2,292)	<b>(419)</b>	(457)	<b>(230)</b>	(262)	<b>(17,338)</b>	(148,911)
<b>(b) Cash and cash equivalents</b>								
For the purposes of the Statements of Cash Flows, cash includes cash at bank, and short term deposits at call. Cash at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the Statements of Financial Position as follows:								
Cash at bank	<b>27,656</b>	13,648	<b>3,778</b>	2,474	<b>151</b>	287	-	301,966
	<b>27,656</b>	13,648	<b>3,778</b>	2,474	<b>151</b>	287	-	301,966
<b>(c) Non-cash financing and investing activities</b>								
Distributions to unitholders								
reinvested	<b>440</b>	225	-	-	-	1	-	-
	<b>440</b>	225	-	-	-	1	-	-

**NOTE 12 - EVENTS OCCURRING AFTER THE BALANCE DATE**

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

**NOTE 13 - COMMITMENTS AND CONTINGENT LIABILITIES**

The Schemes had no known commitments or contingent liabilities as at 30 June 2020 and 30 June 2019.

**Directors' Declaration**

In the opinion of the Directors of MLC Investments Limited, the Responsible Entity of the Schemes:

The financial statements and notes set out on pages 7 to 48, are in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the financial positions of the Schemes as at 30 June 2020 and of their performance for the year ended on that date;
- (b) complying with Accounting Standards and *Corporations Regulations 2001* ;
- (c) there are reasonable grounds to believe that the Schemes will be able to pay their debts as and when they become due and payable; and
- (d) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1(a).

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

Director: \_\_\_\_\_ 

Garry Mulcahy

Signature: \_\_\_\_\_

Dated at Sydney this 11th day of September 2020

## Independent Auditor's Report to the Unitholders of MLC Investment Trust:

Wholesale Horizon 4 Balanced Portfolio	MLC Wholesale Australian Share Fund
Wholesale Horizon 3 Conservative Growth Portfolio	Wholesale Horizon 1 Bond Portfolio
Wholesale IncomeBuilder™	MLC Wholesale Australian Share Index Fund
MLC Wholesale Inflation Plus - Moderate Portfolio	Wholesale Horizon 7 Accelerated Growth Portfolio
Wholesale Horizon 5 Growth Portfolio	MLC Wholesale Index Plus Conservative Growth Portfolio
Wholesale Horizon 2 Income Portfolio	MLC Wholesale Index Plus Balanced Portfolio
MLC Wholesale Inflation Plus - Conservative Portfolio	MLC Wholesale Index Plus Growth Portfolio
Wholesale Horizon 6 Share Portfolio	MLC Wholesale Inflation Plus - Assertive Portfolio
Wholesale Property Securities Fund	MLC Wholesale Diversified Debt Fund
Wholesale Global Share Fund	Wholesale Global Property Fund

### Opinion

We have audited the financial report of MLC Investment Trust consisting of the schemes listed above (the 'Schemes'), which comprises the statements of financial position as at 30 June 2020, the statements of profit or loss and other comprehensive income, statements of changes in unitholders funds and statements of cash flows for the year then ended, 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 Schemes is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Schemes' financial position as at 30 June 2020 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Schemes 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 (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

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

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

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

## Responsibilities of the Directors for the Financial Report

The directors of the Schemes 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 Schemes' ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Schemes or to cease operations, or have no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Report

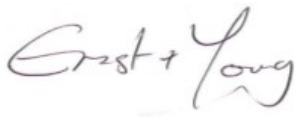
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company'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 Company 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.



Ernst & Young



Darren Handley-Greaves  
Partner  
Sydney  
11 September 2020

## Independent Auditor's Report to the Unitholders of MLC Investment Trust MLC Platinum Global Fund and MLC Hedged Global Share Fund:

### Opinion

We have audited the financial report of MLC Investment Trust MLC Platinum Global Fund and MLC Hedged Global Share Fund (the 'Schemes'), which comprises the statements of financial position as at 30 June 2020, the statements of profit or loss and other comprehensive income, statements of changes in unitholders funds and statements of cash flows for the year then ended, 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 Schemes is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Schemes' financial position as at 30 June 2020 and of its financial performance for the year ended on that date; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Schemes 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 (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. It is the Directors' intention to wind up the Scheme prior to the next year end. As a result, the financial report has been prepared on a liquidation basis. Our opinion is not modified in respect of this matter.

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

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

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

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

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

## **Responsibilities of the Directors for the Financial Report**

The directors of the Schemes 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 Schemes' ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Schemes or to cease operations, or have no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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.





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working world**

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.

A handwritten signature in grey ink that reads 'Ernst &amp; Young'.

Ernst & Young

A handwritten signature in grey ink, appearing to be 'D. Handley-Greaves'.

Darren Handley-Greaves  
Partner  
Sydney  
11 September 2020



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## Important information

This information is prepared by MLC Investments Limited (ABN 30 002 641 661, AFSL 230705) as the responsible entity of the Trusts; a member of the National Australia Bank Limited (ABN 12 004 044 937, AFSL 230686) (NAB) group of companies (NAB Group), 105–153 Miller Street, North Sydney 2060. NAB does not guarantee or otherwise accept any liability in respect of any financial product referred to in this communication. This information is directed to and prepared for Australian and New Zealand residents (as applicable) only.