

DomaCom Fund
ARSN 167 020 626

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

DomaCom Fund

ARSN 167 020 626

Annual financial report

For the year ended 30 June 2015

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The Responsible Entity of the Fund is Perpetual Trust Services Limited ("the Responsible Entity")(ABN 48 000 142 049)(AFSL No. 236648).

Directors' Report

The Directors of Perpetual Trust Services Limited (ABN 48 000 142 049, AFSL 236648), the Responsible Entity of DomaCom Fund, present their report together with the financial statements of The DomaCom Fund ('the Fund') for the year ended 30 June 2015.

1 Directors

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

Green, Christopher	Director Appointed 1 October 2008
Vainauskas, Michael	Director Appointed 02 March 2015
Foster, Glenn Stephen	Director Appointed 27 July 2015
Cannane, Andrew	Director Appointed 28 August 2015
Hawkins, Joanne Marjorie	Director Appointed 6 July 2012; resigned 2 March 2015
Larkins, Gillian	Director Appointed 7 January 2013; resigned 27 July 2015
O'Sullivan, Anna	Alternate (for Christopher Green) Appointed 24 February 2014
Ellwood, Rodney Garth	Alternate (for Christopher Green) Appointed 1 November 2013; resigned 18 July 2014
Foster, Glenn Stephen	Alternate (for Gillian Larkins) Appointed 25 January 2013; ceased 27 July 2015
Lynch, Phillip	Alternate (for Joanne Marjorie Hawkins) Appointed 6 July 2012; ceased 2 March 2015

The Directors have been in office since the start of the year to the date of this report unless otherwise stated.

2 Principal activities

The principal activity of the Fund is fractional investment in real estate (residential and commercial), for the purpose of earning revenue in the form of rent. The Fund seeks to offer a stable, tax effective income investment stream coupled with growth potential over the longer term for its investors.

3 Review and results of operations

There have been no significant changes to the operations of the Fund since the previous financial period. The Fund continued to invest funds in accordance with the governing documents of the Fund and in accordance with the provisions of the Fund's Constitution.

The performance of the Fund, as represented by the results of its operations, was as follows:

	Year ended 30 June 2015 \$	Period from 13 December 2013 to 30 June 2014 \$
Net operating profit before financing costs attributable to unitholders	24,509	2,122
Distribution paid and payable (\$)	66,004	2,123

Directors' Report (continued)

4 Significant changes in state of affairs

The following properties were purchased by the Fund during the year:

Property	Ownership	Date acquired	Acquisition cost \$
806,127-133 Leicester Street, Carlton VIC 3053	100%	15 August 2014	157,000
811,127-133 Leicester Street, Carlton VIC 3053	100%	15 August 2014	157,000
803,127-133 Leicester Street, Carlton VIC 3053	100%	5 September 2014	157,000
808,127-133 Leicester Street, Carlton VIC 3053	100%	16 September 2014	157,000
606,127-133 Leicester Street, Carlton VIC 3053	100%	31 January 2015	157,500
Lot 36 Ceres Street, Wulkuraka, QLD 4305	100%	19 May 2015	180,000

The land at 14 Ceres Street, Wulkuraka, Queensland was acquired for the construction of a house on the property. Construction of the house has commenced and the total property development cost on the house as at 30 June 2015 is \$13,745 and it is expected that the completed value of the property will be \$454,900.

There have been no other significant changes to the state of affairs of the Fund during the year.

5 After Balance Date Events

No matters or circumstances have arisen since the end of the year which significantly affected or may significantly affect the operations of the Fund, the results of those operations, or the state of affairs of the Fund in future financial years.

6 Future Developments

Construction of the house at 14 Ceres Street, Wulkuraka, Queensland commenced on 25 May 2015 and completion of the property is anticipated 192 days after commencement, subject to the terms and conditions of Clause 16 of the contract with the builder, Watermark Group Australia Pty Ltd. It is expected that the completed value of the property will be \$454,900.

7 Environmental Issues

The Fund complied with all environmental regulations during the course of the year.

8 Indemnification and insurance of Officers and Auditors

During or since the end of the year, the Fund has not indemnified or agreed to indemnify, nor paid insurance premiums to insure any of the directors or officers of the Responsible Entity. The auditors of the Fund are not indemnified out of the assets of the Fund.

9 Options

No options over issued units or interests in the Fund were granted during or since the end of the year and there were no options outstanding at the date of this report. The directors and executives of the Responsible Entity hold no options over interests in the Fund.

10 Proceedings on Behalf of the Fund

No person has applied for leave of court to bring proceedings on behalf of the Fund, or intervene in any proceedings to which the Fund is a party, for the purpose of taking responsibility on behalf of the Fund for all or any part of their proceedings. The Fund was not a party to any such proceedings during the year.

Directors' Report (continued)

11 Fees, Commissions or other charges by the Responsible Entity or Related Parties of the Responsible Entity

All fees payable to the Responsible Entity or its related parties are detailed in Note 11 to the financial statements.

12 Buy Back Arrangements

As detailed in the Fund's Constitution the Responsible Entity is not under any obligation to buy back, purchase or redeem units from unitholders.

13 Value of Fund Assets

The total value of the Fund's assets at the end of the reporting period is \$3,347,442 (2014: \$720,207).

14 Number of Interests on Issue

At 30 June 2015 the number of units issued in the Fund was 3,387,315 (2014: 638,220). An additional 229,872 units have been issued subsequent to the reporting period. During the period 2,752,588 units were redeemed (2014: Nil).

15 Comparatives

The current reporting period is the year ended 30 June 2015. For the statement of profit or loss and other comprehensive income and the statement of cash flows, the previous corresponding period is the period from 13 December 2013 to 30 June 2014. For the statement of financial position, the previous corresponding date is 30 June 2014.

A copy of the auditors' independence declaration as required by section 307C of the Corporations Act 2001 is set out on page 5.

Signed in accordance with a resolution of the Board of Directors of Perpetual Trust Services Limited.



Director
Perpetual Trust Services Limited

Sydney
23 September 2015

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Auditor's Independence Declaration
To the Directors of DomaCom Fund

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of DomaCom Fund for the year ended 30 June 2015, I declare that, 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.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Brad Taylor
Partner - Audit & Assurance

Melbourne, 23 September 2015

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Statement of Profit or Loss and Other Comprehensive Income

	Note	Year ended 30 June 2015 \$	Period from 13 December 2013 to 30 June 2014 \$
Revenue and other income			
Rental and other property income		54,215	-
Interest income		48,138	2,277
Change in fair value of investment properties	6	(46,160)	-
Total revenue and other income		56,193	2,277
Expenses			
Property outgoings		19,700	-
Management fees		9,734	153
Legal and professional fees		2,250	-
Other expenses		-	2
Total expenses		31,684	155
Operating profit for the year/period		24,509	2,122
Finance costs attributable to unit holders			
Distributions to unitholders	10	(66,004)	(2,123)
Decrease in net assets attributable to unit holders	8	41,495	1
Operating profit/(loss) for the year/period		-	-
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year/period attributable to unitholders		-	-

The above statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

	Note	As at 30 June 2015 \$	As at 30 June 2014 \$
Assets			
Current assets			
Cash and cash equivalents	4	2,363,614	720,207
Trade and other receivables	5	4,583	-
Total current assets		2,368,197	720,207
Non-current assets			
Investment properties	6	979,245	-
Total non-current assets		979,245	-
Total assets		3,347,442	720,207
Liabilities			
Current liabilities			
Distributions payable		1,117	910
Trade and other payables	7	2,186	78
Unallocated applications		-	81,000
Total current liabilities		3,303	81,988
Total liabilities		3,303	81,988
Net assets attributable to unit holders - liability	8	3,344,139	638,219
Liabilities attributable to unit holders		(3,344,139)	(638,219)
Net assets		-	-

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Net Assets Attributable to Unitholders

	Note	Year ended 30 June 2015 \$	Period from 13 December 2013 to 30 June 2014 \$
Beginning balance		638,219	-
<i>Transactions with unitholders in their capacity as unitholders:</i>			
Applications	8	5,500,003	638,220
Redemptions	8	(2,752,588)	-
Increase/(decrease) in net assets attributable to unitholders	8	(41,495)	(1)
Total net assets attributable to unitholders at the end of the year/period	8	3,344,139	638,219

Statement of Changes in Net Assets Attributable to Unitholders should be read in conjunction with the accompanying notes.

Statement of Cash Flows

	Note	Year ended 30 June 2015 \$	Period from 13 December 2013 to 30 June 2014 \$
Cash flows from operating activities			
Rental and other property income received		54,216	-
Interest received		48,138	2,277
Property outgoings paid		(19,700)	-
Management fees paid		(9,734)	-
Legal and professional fees paid		(2,250)	-
Other expenses paid		(2,476)	(77)
Net cash provided by operating activities	9	68,194	2,200
Cash flows from investing activities			
Payments for purchase of investment properties		(1,025,405)	-
Net cash used in investing activities		(1,025,405)	-
Cash flows from financing activities			
Proceeds from applications by unitholders		5,419,003	719,220
Payments for redemptions by unitholders		(2,752,588)	-
Distributions to unitholders		(65,797)	(1,213)
Net cash provided by financing activities		2,600,618	718,007
Net increase in cash and cash equivalents		1,643,407	720,207
Cash and cash equivalents at the beginning of the year/period		720,207	-
Cash and cash equivalents at the end of the year/period	4	2,363,614	720,207

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

1 Significant accounting policies

Reporting Entity

The financial statements are for the entity The DomaCom Fund ('the Fund') as an individual entity. The Fund is an unlisted registered scheme established and domiciled in Australia and operates as a for profit entity. The Responsible Entity ('RE') of the Fund is Perpetual Trust Services Limited. The Fund was registered on 13 December 2013.

The Fund has a limited life under its constitution, such that it must terminate no later than 2094.

Basis of preparation

The financial statements are a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001.

The financial statements have been prepared on an accruals basis and on the historical cost basis except for investment property, non-current assets classified as held for sale, financial assets at fair value through profit or loss. Cost is based on the fair values of the consideration given in exchange for assets.

The Scheme is a for-profit entity for the purpose of preparing financial statements.

The functional and presentation currency of the Fund is Australian dollars.

Compliance with IFRSs

The financial statements and notes of the Fund also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

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 periods presented, unless otherwise stated in the following text.

(a) Investment properties

Investment property is property which is held to earn rental income and capital appreciation.

Investment properties are carried at fair value determined either by the directors or independent valuers. Changes to fair value are recorded in profit or loss.

The fair value of investment properties excludes any accrued operating lease income or lease incentives recognised as a receivable in accordance with AASB 117 *Leases*.

Property purchases are recognised when the Fund has entered into an unconditional purchase contract, and the majority of the significant risks and rewards of ownership have been transferred to the Fund. Property disposals are recorded when the Fund has entered into an unconditional sales contract, and the majority of the significant risks and rewards of ownership have been transferred to the buyer. Transfers of risks and rewards vary depending on the individual terms of the contracts.

1 Significant accounting policies (continued)

(b) Revenue

Rental income from operating leases is recognised as income on a straight-line basis over the lease term. Where a lease has fixed annual increases, the total rent receivable over the operating lease is recognised as revenue on a straight-line basis over the lease term. This results in more income being recognised early in the lease term and less late in the lease term compared to the lease conditions. The difference between the lease income recognised and actual lease payments received is included in receivables.

Lease incentives provided by the Fund to lessees are excluded from the measurement of fair value of investment property and are included in receivables. The amounts are recognised over the lease periods as rental income.

Contingent rents based on the future amount of a factor that changes other than with the passage of time, including CPI linked rental increases and turnover rents, are only recognised when contractually due.

Interest income is recognised in profit or loss on a time basis using the effective interest rate method.

Distribution income is recognised when the right to receive a distribution has been established.

Other income is recognised when the right to receive the revenue has been established.

All income is stated net of the amount of goods and services tax (GST).

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

(d) Receivables and payables

Rental debtors are recognised at original invoice amount less a provision for any uncollected debts. Collectability of rental debtors is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. An allowance for doubtful debts is made when there is objective evidence that the Fund will not be able to collect the debts. Examples of this evidence include, but are not limited to: rent being more than 30 days overdue, significant financial difficulties of the debtor, and the probability that the debtor will be placed under administration or bankruptcy. In this latter case tenants will be subjected to close monitoring and alternative arrangements.

The debtor's circumstances relating to the default in payment are considered, and in some cases alternative payment arrangements may apply. If the debtor defaults on the terms of these arrangements, the debt will be recognised as doubtful.

The amount of the doubtful debt is recognised in the statement of profit or loss and other comprehensive income within bad and doubtful debts expense. When a rental debtor that had been recognised as a doubtful debt becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against bad and doubtful debts in the statement of profit or loss and other comprehensive income.

Payables represent liabilities for goods and services provided to the Fund prior to the end of the financial year which are unpaid.

Normal commercial terms and conditions are applied to receivables and payables.

(e) Income tax

Under current legislation the Fund is not liable for income tax provided its taxable income is fully distributed to unitholders.

1 Significant accounting policies (continued)

(f) Distributions

In accordance with the Fund's Constitution, the Fund distributes its distributable (taxable) income, and any other amounts determined by the Responsible Entity, to unitholders by cash or reinvestment. The distributions are recognised in the statement of profit or loss and other comprehensive income as finance costs attributable to unitholders.

(g) Increase/(decrease) in net assets attributable to unitholders

Income not distributed is included in net assets attributable to unitholders. Movements in net assets attributable to unitholders are recognised in profit or loss as finance costs.

(h) Functional currency

The Fund has a functional currency of Australian dollars.

(i) Critical judgements and significant accounting estimates

The preparation of financial statements requires the directors of the Responsible Entity to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

(i) Fair value estimation

Investments in securities that are unlisted, and investment properties, are carried at values that are based on assumptions and estimates. If any of these assumptions or estimates were not correct this could have a material impact on the carrying amounts in the statement of financial position.

(ii) Recognition of unconditional property purchases and disposals

Property purchases, including associated acquisition costs (stamp duty and RE acquisition fees), are recognised when the Fund has entered into an unconditional purchase contract, and the majority of the significant risks and rewards of ownership have been transferred to the Fund.

Property disposals, including associated disposal costs (legal and RE disposal fees), are recorded when the Fund has entered into an unconditional sales contract, and the majority of the significant risks and rewards of ownership have been transferred to the buyer.

Transfers of risks and rewards vary depending on the individual terms of the contracts.

(j) New and amended standards adopted by the Fund

The Fund has applied the following new and revised accounting standards which became effective for the annual reporting period commencing 1 July 2014:

- AASB 2013-5 *Amendments to Australian Accounting Standards - Investment Entities*
- AASB 2013-4 *Amendments to Australian Accounting Standards - Novation of Derivatives and Continuation of Hedge Accounting*

The amendments made by AASB 2013-5 introduce an exception from the consolidation requirements for investment entities. The amendments provides relief from the requirements to consolidate any investment in subsidiaries. The Fund meets the definition of an investment entity under the standard. Therefore, any investment subsidiaries (other than those subsidiaries that provide investment related services) must be measured at fair value through profit and loss. The adoption of the amendment has no impact as the Fund does not have investment in subsidiaries.

The adoption of AASB 2013-4 did not have any impact on the current year or any prior period and is not likely to affect future periods.

There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2014 that have a material impact on the Fund.

1 Significant accounting policies (continued)

(k) Accounting standards applicable but not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2015 reporting period and have not been early adopted by the Fund. The directors' assessment of the impact of these new standards (to the extent relevant to the Fund) and interpretations is set out below:

- AASB 9 *Financial Instruments* (and applicable amendments) (effective from 1 January 2018)

AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities. It has now also introduced revised rules around hedge accounting and impairment. The standard is not applicable until 1 January 2018 but is available for early adoption. The directors do not expect this to have a significant impact on the recognition and measurement of the Fund's financial instruments as they are carried at fair value through profit or loss. The derecognition rules have not changed from the previous requirements, and the Fund does not apply hedge accounting. AASB 9 introduces a new impairment model. However, as the Fund's investments are held at fair value through profit or loss, the change in impairment rules will not impact the Fund. The Fund has not yet decided when to adopt AASB 9.

- AASB 15 *Revenue from Contracts with Customers* (effective from 1 January 2017)

AASB 15 will replace AASB 118 *Revenue* which covers contracts for goods and services and AASB 111 *Construction Contracts* which covers construction contracts. AASB 15 is based on the principle that revenue is recognised when control of a good or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards.

The directors do not expect the adoption of AASB15 to have a significant impact on the Fund's accounting policies or the amounts recognised in the financial statements. The Fund has not yet decided when to adopt AASB 15.

There are no other standards that are not yet effective and that are expected to have a material impact on the Fund in the current or future reporting periods and on foreseeable future transactions.

2 Financial risk management

(a) Objectives, strategies, policies and processes

The Fund's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The management of these risks is conducted by the Fund's Manager who manages the Fund's assets in accordance with its investment objectives.

A financial risk management framework has been established by the Fund's Investment Manager who conducts regular assessment processes in order to ensure that procedures and controls are adequately managing the risks arising from the Fund's investment activities.

This framework includes:

- Integrated computer systems and processes with checks and balances;
- Policies and procedures covering operations;
- Post-trade investment compliance monitoring;
- Segregation of the dealing and investment management function from the administration and settlement function; and
- An independent service provider for the valuation of securities.

The Responsible Entity also has in place a framework to identify, control, report and manage compliance and business obligations, and to ensure that the interests of unitholders in the Fund are protected.

Compliance is integrated into the day to day operations of the Responsible Entity Services team ("RES"), a Perpetual Corporate Trust ("CT") business unit within the Responsible Entity.

2 Financial risk management (continued)

(a) Objectives, strategies, policies and processes (continued)

This framework includes:

- Policies and procedures,
- Committee and board reporting,
- Staff training,
- Formal service provider agreements,
- Compliance reporting by the Investment Manager, Investment Administrator and Custodian (the "Service Providers"),
- Regular monitoring visits of Service Providers, and
- Monitoring of RES compliance in accordance with Control Self Assessment methodology.

RES is ultimately responsible for compliance monitoring. The RES business unit includes the roles of General Manager, Regulated Fiduciary Services, Head of Responsible Entity, Risk Manager, Senior Manager - Corporate Clients and Manager - Corporate Clients.

The Responsible Entity has established a Compliance Committee which is responsible for developing and monitoring the Fund's compliance monitoring policies, including those related to its activities. Compliance monitoring policies and systems are reviewed periodically to reflect changes in market conditions and the Fund's activities.

RES undertakes periodic on-site monitoring reviews of the Fund's service providers, focusing on the general control environment and investment management, administration and custodial functions as provided to the Responsible Entity of the Fund. This is conducted to ensure that the service providers continue to satisfy their obligations as detailed within the relevant service agreement entered into with the Responsible Entity.

(b) Market risk

Market risk embodies the potential for both loss and gains and includes interest rate risk and other price risk. The Fund's strategy on the management of investment risk is driven by the Fund's investment objective. The Fund's market risk is managed on a daily basis by the investment manager in accordance with the investment guidelines as outlined in the Fund's Constitution.

(c) Credit risk

Credit risk is the risk that a party to the financial instrument will cause a financial loss to the Fund by failing to discharge an obligation.

Tenants for each of the properties held by the Fund are assessed for creditworthiness before commencing a lease, and if necessary rental guarantees are sought before tenancy is approved. The investment manager also performs a detailed review of both related and other parties before approving investments / advancement of funds. This is performed to ensure that they will be able to meet quoted distributions, as well as interest and principal repayments.

All receivables are monitored by the Fund Manager on a monthly basis. If any amounts owing are overdue these are followed up and if necessary, allowances are made for debts that are doubtful.

At reporting date, there are no issues with the credit quality of financial assets that are neither past due or impaired, and all amounts are expected to be received in full.

2 Financial risk management (continued)

(d) Liquidity risk

Liquidity risk is the risk that the Fund will not be able to meet its financial liabilities as they fall due.

The Fund manages liquidity risk by managing its holding cash in its operating account to meet creditors' claims as they fall due.

The following table sets out the maturity analysis that shows the remaining contractual maturities.

As at 30 June 2015

	Less than 6 months \$	6 months to a year \$	1-5 years \$	5+ years \$
Distributions payable	1,117	-	-	-
Management fees payable	2,186	-	-	-
Total	3,303	-	-	-

As at 30 June 2014

	Less than 6 months \$	6 months to a year \$	1-5 years \$	5+ years \$
Distributions payable	910	-	-	-
Management fees payable	78	-	-	-
Unallocated applications	81,000	-	-	-
Total	81,988	-	-	-

3 Fair value measurement

(a) Recognised fair value measurements

The Fund measures and recognises assets and liabilities at fair value on a recurring basis.

To provide an indication about the reliability of inputs used in determining fair value, the Fund classifies its assets and liabilities at fair value into three levels prescribed under the accounting standards. An explanation of each level is set out below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial assets and liabilities not carried at fair value have carrying values that reasonably approximate their fair values and are categorised within the fair value hierarchy as follows:

- Cash and cash equivalents - Level 1; and
- All other financial assets and liabilities - Level 2

The following table presents the Fund's non-financials assets measured and recognised at fair value:

At 30 June 2015	Level 1	Level 2	Level 3	Total
Non-financial assets				
Investment properties	-	-	979,245	979,245
Total assets	-	-	979,245	979,245

There were no transfers between levels of fair value measurement during the year and there were no other financial assets or liabilities that were measured and recognised at fair value and classified as Level 1 or Level 3.

3 Fair value measurement (continued)

(a) Recognised fair value measurements (continued)

The policy of the Fund is to recognise transfers into and transfers out of the fair value hierarchy levels as at the end of the reporting period.

The Fund did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2015.

The following table presents the movement in level 3 assets for the year ended 30 June 2015 by class of financial asset. The Fund did not have level 3 assets in June 2014.

At 30 June 2015

	Investment properties
Opening balance	-
Purchases	1,011,660
Additions	13,745
Sales	-
Transfers into(out) from level 3	-
Gains and losses recognised in profit or loss	(46,160)
Closing balance	979,245

(b) Valuation process

The Responsible Entity through the Fund's Manager conducts an investment property valuation process on a rolling 12 month basis. All independent valuations are performed by independent professionally qualified external valuers.

Existing properties

On an ongoing basis, the Responsible Entity through the Fund's Manager, assesses whether there has been a material change in the value of a property. External valuations are obtained within 2 months after the management form a view that there is a likelihood that there has been a material change in the valuation of the property.

To make this assessment, the following steps are performed by the Fund's Manager:

- 1 perform desktop assessments of current values through discussions with external valuers and by using external market data feeds to gauge the current market situation;
- 2 compare the initial assessment of current value to the most recent book value and determine the percentage movement; and
- 3 if the property has been acquired in the last 12 months, the valuation on acquisition may still be valid but is reviewed against comparable sales/market data.

Development properties

The total cost of a development property is generally capitalised to its carrying value until development is complete. At the commencement of a development project, an estimated valuation on completion is obtained and the capitalised costs during the project are monitored against this initial valuation.

At each reporting date, the carrying values of development properties are reviewed to determine whether they are in excess of their fair value. Where appropriate, a write-down is made to reflect fair value.

(c) Sensitivity analysis

Significant input	Fair value measurement sensitivity to significant increase in input	Fair value measurement sensitivity to significant decrease in input
Gross market rent (\$ p.a./sq.m.)	Increase	Decrease
Adopted discount rate (% p.a.)	Decrease	Increase

4 Cash and cash equivalents

	As at 30 June 2015 \$	As at 30 June 2014 \$
Cash at bank	2,363,614	720,207
	2,363,614	720,207

5 Current assets - trade and other receivables

	As at 30 June 2015 \$	As at 30 June 2014 \$
Prepayments	4,583	-
	4,583	-

6 Non-current assets - investment properties

Property	Ownership	Date acquired	Book value \$
806,127-133 Leicester Street, Carlton VIC 3053	100%	15 August 2014	157,000
811,127-133 Leicester Street, Carlton VIC 3053	100%	15 August 2014	157,000
803,127-133 Leicester Street, Carlton VIC 3053	100%	5 September 2014	157,000
808,127-133 Leicester Street, Carlton VIC 3053	100%	16 September 2014	157,000
606,127-133 Leicester Street, Carlton VIC 3053	100%	31 January 2015	157,500
36 Ceres Street, Wulkuraka, QLD 4305*	100%	19 May 2015	193,745
			979,245

* The book value of 36 Ceres St Wulkuraka QLD 4305 is the development cost to date. Expected value at completion is \$454,900.

Reconciliation

Reconciliation of the carrying amounts of the investment properties at the beginning and end of the current financial year are set out in the succeeding page.

6 Non-current assets - investment properties

Reconciliation (continued)

	PROPERTY								Total
	811,127-133 Leicester Street, Carlton VIC 3053	806,127-133 Leicester Street, Carlton VIC 3053	803,127-133 Leicester Street, Carlton VIC 3053	808,127-133 Leicester Street, Carlton VIC 3053	606,127-133 Leicester Street, Carlton VIC 3053	Lot 14 Ceres Street, Wuukuraka Queensland 4305			
30 June 2015									
Beginning balance	-	-	-	-	-	-	-	-	-
Acquisition	157,000	157,000	157,000	157,000	157,500	180,000		965,500	
Acquisition costs	7,771	7,738	7,669	7,669	7,777	7,538		46,160	
Revaluation	(7,771)	(7,738)	(7,669)	(7,669)	(7,777)	(7,538)		(46,160)	
Carrying amount	157,000	157,000	157,000	157,000	157,500	180,000		965,500	
Property development cost	-	-	-	-	-	13,745		13,745	
Adjusted carrying amount at year end	157,000	157,000	157,000	157,000	157,500	193,745		979,245	

7 Trade and other payables

	As at 30 June 2015 \$	As at 30 June 2014 \$
Management fees payable	2,186	78
	2,186	78

8 Net assets attributable to unitholders

Movements in number of units and net assets attributable to unit holders during the year were as follows:

	Year ended 30 June 2015		Period from 13 December 2013 to 30 June 2014	
	Units	\$	Units	\$
Opening balance	638,220	638,219	-	-
Applications	5,477,328	5,477,328	638,220	638,220
Redemptions	(2,752,588)	(2,752,588)	-	-
Unit class conversion	1,680	-	-	-
Units issued upon reinvestment of distributions	22,675	22,675	-	-
Increase/(decrease) in net assets attributable to unit holders	-	(41,495)	-	(1)
Closing balance	3,387,315	3,344,139	638,220	638,219

9 Reconciliation of net profit to net cash provided by operating activities

	Year ended 30 June 2015 \$	Period from 13 December 2013 to 30 June 2014 \$
Profit/(loss) for the year/period	-	-
Decrease in net assets attributable to unit holders	(41,495)	(1)
Distributions to unitholder	66,004	2,123
Change in fair value of investment properties	46,160	-
Net change in receivables and accrued income	(4,583)	-
Net change in accounts payable and accrued liabilities	2,108	78
Net cash provided by operating activities	68,194	2,200

10 Distributions

Distributions paid/payable to unitholders

The distributions for the year/period were:

	Year ended 30 June 2015 \$	Period from 13 December 2013 to 30 June 2014 \$
Distributions paid	64,887	1,213
Distributions payable	1,117	910
	<u>66,004</u>	<u>2,123</u>

11 Related party transactions

Responsible Entity

The Responsible Entity of The DomaCom Fund is Perpetual Trust Services Limited, a wholly owned subsidiary of Perpetual Limited.

Investment Manager DomaCom Australia Limited (formerly Domacom Limited) has been appointed to promote, administer, invest and manage the assets of the DomaCom Fund and to perform various services pursuant to the Investment Management Agreement.

Responsible Entity's fees and other transactions

Under the terms of the Constitution, the Responsible Entity is entitled to receive fees in accordance with the Fund's Constitution.

	Year ended 30 June 2015 \$	Period from 13 December 2013 to 30 June 2014 \$
Management fees paid/payable during the year/period	9,734	153
Management fees payable as at year/period end	2,186	78

The Responsible Entity fees are paid by the Investment Manager.

Key management personnel

The Fund does not employ personnel in its own right. However, it has an incorporated Responsible Entity, Perpetual Trust Services Limited, to manage the activities of the Fund. The directors of the Responsible Entity are key management personnel of that entity and their names are:

Green, Christopher	Director Appointed 1 October 2008
Vainauskas, Michael	Director Appointed 02 March 2015
Foster, Glenn Stephen	Director Appointed 27 July 2015
Cannane, Andrew	Director Appointed 28 August 2015
Hawkins, Joanne Marjorie	Director Appointed 6 July 2012; resigned 2 March 2015
Larkins, Gillian	Director Appointed 7 January 2013; resigned 27 July 2015
O'Sullivan, Anna	Alternate (for Christopher Green) Appointed 24 February 2014
Ellwood, Rodney Garth	Alternate (for Christopher Green) Appointed 1 November 2013; resigned 18 July 2014
Foster, Glenn Stephen	Alternate (for Gillian Larkins) Appointed 25 January 2013; ceased 27 July 2015
Lynch, Phillip	Alternate (for Joanne Marjorie Hawkins) Appointed 6 July 2012; ceased 2 March 2015

11 Related party transactions (continued)

Unit holdings

No units in the Fund were held during the year by directors and other key management personnel of the Responsible Entity, including their personally related parties. There were no units granted during the reporting period as compensation.

12 Remuneration of auditors

The remuneration of auditors for the year ended 30 June 2015 has been incurred by the DomaCom Fund and paid for by DomaCom Australia Ltd for the amount of \$13,500 (2014: \$7,500).

13 Contingent assets and liabilities and commitments

There are no outstanding contingent assets and liabilities or commitments as at 30 June 2015 and 30 June 2014.

14 Events subsequent to reporting date

No matters or circumstances have arisen since the end of the year which significantly affected or may significantly affect the operations of the Fund, the results of those operations, or the state of affairs of the Fund in future financial years.

15 Comparatives

The current reporting period is the year ended 30 June 2015. For the statement of profit or loss and other comprehensive income and the statement of cash flows, the previous corresponding period is the period from 13 December 2013 to 30 June 2014. For the statement of financial position, the previous corresponding date is 30 June 2014.

16 Responsible Entity details

The registered office and the principal place of business of the Responsible Entity is Level 12, 123 Pitt Street, Sydney NSW 2000.

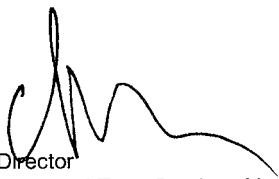
Directors' declaration

In the opinion of the Directors of Perpetual Trust Services Limited, the Responsible Entity of DomaCom Fund ("the Fund"):

- a. the financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the Corporations Act 2001, including:
 - i. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - ii. giving a true and fair view of the Fund's financial position as at 30 June 2015 and of its performance as represented by the results of its operations and its cash flows, for the year ended on that date; and
- b. there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Directors of the Responsible Entity, made pursuant to s 303(5) of the Corporations Act 2001.



Director
Perpetual Trust Services Limited

Sydney
23 September 2015

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Independent Auditor's Report To the Members of DomaCom Fund

We have audited the accompanying financial report of DomaCom Fund (the "Scheme"), which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the company.

Directors' responsibility for the financial report

The Directors of the Scheme 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. The Directors' responsibility also includes 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. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the Scheme's preparation of the financial report that gives a true and fair view 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 Scheme's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

- a the financial report of DomaCom Fund is in accordance with the Corporations Act 2001, including:
 - i giving a true and fair view of the Scheme's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
 - ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Brad Taylor
Partner - Audit & Assurance

Melbourne, 23 September 2015