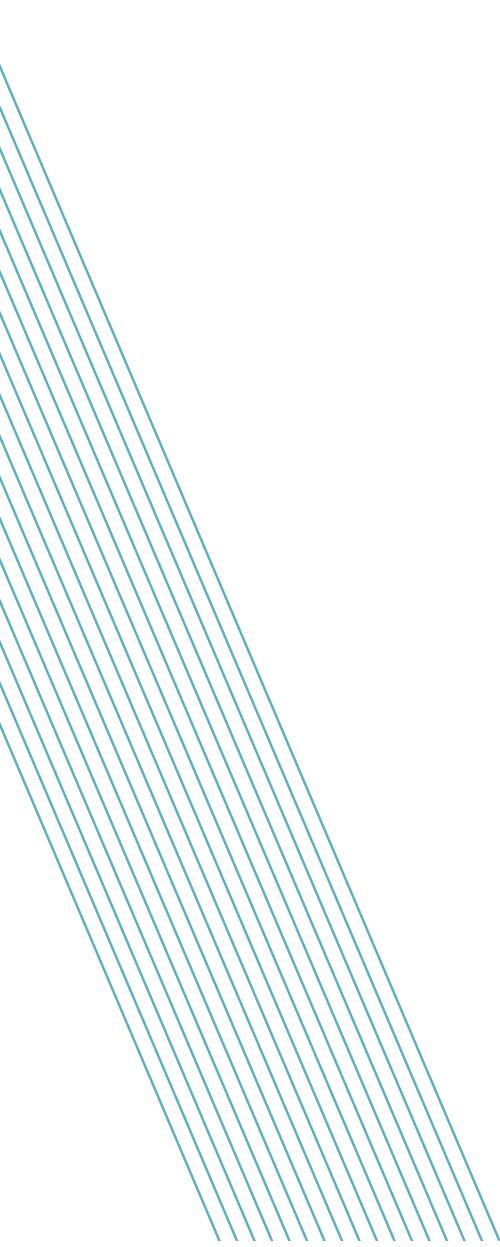




VERTUA
FUNDS MANAGEMENT

VERTUA OPPORTUNITIES FUND

ANNUAL REPORT
30 JUNE 2021



Vertua Opportunities Pty Ltd
ACN 617 079 419
AS TRUSTEE FOR THE
VERTUA OPPORTUNITIES FUND
ABN: 84 129 409 279

Level 5
97 Pacific Highway
NORTH SYDNEY
NSW 2060
AUSTRALIA

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KEY FINANCIAL RESULTS

PROFIT

	2021	2020	YEAR ON YEAR CHANGE
EBITDA	\$4,164,673	\$2,049,068	103%
PROFIT	\$2,921,918	\$815,374	257%
FULL YEAR DISTRIBUTIONS	7 CENTS	7 CENTS	4%
VENUES OWNED/OPERATED	7	6	17%
TOTAL EMPLOYEES	70	70	0%

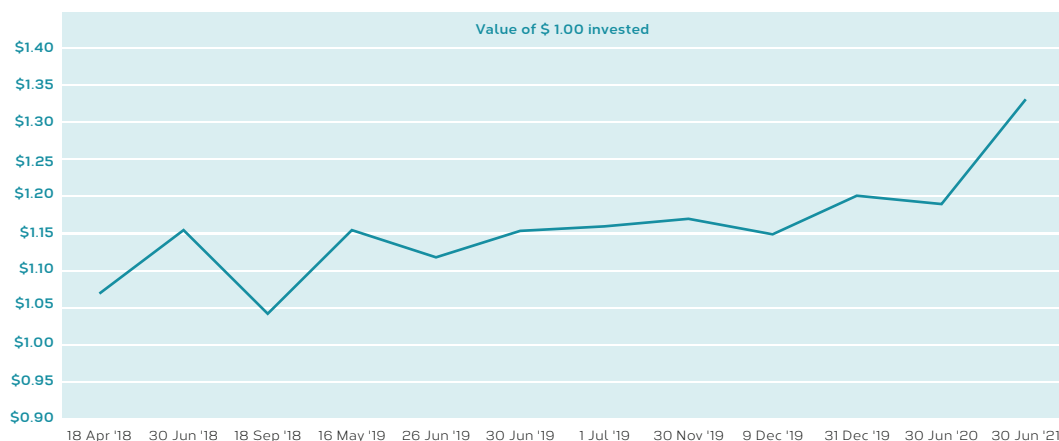
LEVERAGE SECTION

2021	Assets \$27,785,737	
	61.54% EQUITY	38.46% DEBT
2020	Assets \$21,126,619	
	59.13 % EQUITY	40.87 % DEBT

PERFORMANCE INDICATORS

The consequences of the Group's performance on unitholders wealth, outlined as a function of its unit price and net assets attributable to unitholders over the last 3 years is provided below:

	30 JUNE 21	30 JUNE 20	30 JUNE 19
Unit Value per unit at the end of financial year	\$1.33	\$1.19	\$1.19
Distributions paid during the year	\$0.03	\$0.03	\$0.03
Increase in unit value year on year	\$0.14	\$0.00	\$0.12
Declared to be paid distribution for year	\$0.04	\$0.04	\$0.03
Total return per unit for year	\$0.21	\$0.07	\$0.18



INVESTMENT OVERVIEW

OUR LOCATIONS

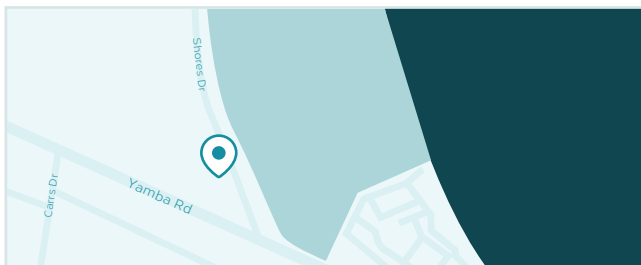


YAMBA MOTOR INN

The Fund acquired the Yamba Motor Inn in December 2020 for \$4,000,000. It is a 29 room motel situated on 3,721 square meters of land.

The Yamba Motor Inn is a modern brick and tile motel, on one level, that is ideally suited to the tourist and coach trade and poised to capitalise on the huge potential in this rapidly growing area.

The Motel is well located, being the first motel on the left upon entering Yamba. Situated on the main arterial road, the motel is close to the main shopping centre and the recently upgraded, award-winning Yamba Shores Tavern.



INVESTMENT HIGHLIGHTS



Location right at the entrance to Yamba on the main road



Pristine holiday destination in northern NSW



Opportunities for repositioning on the market to attract profits



CAPEX plan initiated

INVESTMENT OVERVIEW

TUROSS HEAD

The Fund purchased the Tuross Beach Holiday Park in May 2017. The holiday park is income-positive and continues to meet expected targets. This is a small leasehold caravan park located at Tuross Head, approximately 322 km south of Sydney. The property is located on absolute beachfront land, occupying 15,000m² with approval for 83 camping sites. The property has over 24 years left on the current leasehold terms.



INVESTMENT HIGHLIGHTS



Prime beach front land on New South Wales south coast



Repositioning and redevelopment potential for the site, with pre-DA lodged with consent authorities



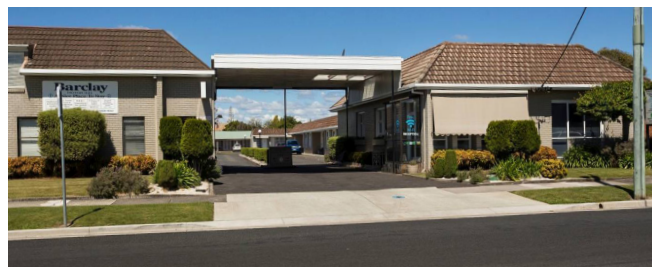
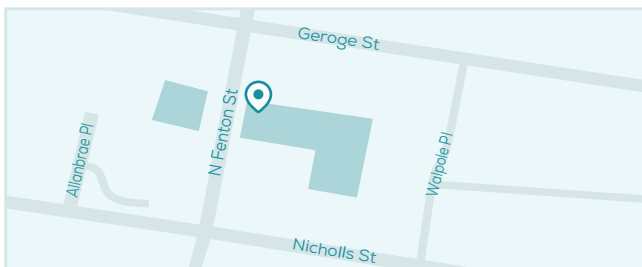
Growing with increased visitors year on year, post marketing plan implementation



Potential for substantial lease term with public works program

BARCLAY MOTOR INN

The Fund acquired the Barclay Motor Inn ("the Barclay") in July 2018. A new management team was hired by the Fund to manage the Barclay. The Barclay is a 25 room motel conveniently situated within walking distance to the main shopping district of Devonport Tasmania, Devonport's business district, sporting facilities and the departure/ arrival terminal of the Spirit of Tasmania. The Barclay occupies 5,500m² of land on its primary site and, in addition has a three-bedroom cottage across the road from the primary site which is used for short term tenancy. In addition to its accommodation facilities the Barclay boasts two function rooms, a half size tennis court and Devonport's only indoor heated pool.



INVESTMENT HIGHLIGHTS



Well located near the centre of town and the spirit of Tasmania docking ports



Motel requires modest CAPEX to achieve operational efficiency (solar, heaters)



Local region underpinned by hospital and farming movements to the mainland

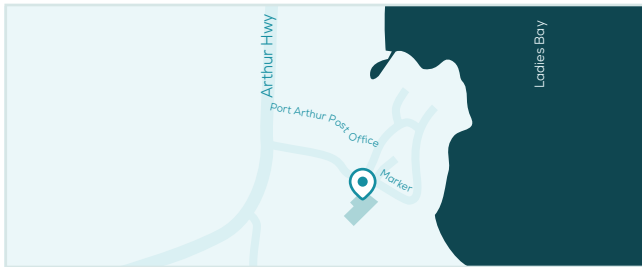


Future redevelopment plans for expansion of operations, with additional rooms and repositioning of existing

INVESTMENT OVERVIEW

STEWARTS BAY LODGE

The Stewarts Bay Lodge ("Stewarts Bay") was purchased in June 2018. The management team has been replenished with staff previously working at Stewarts Bay. Stewarts Bay is situated on 22 acres of waterfront in Port Arthur Tasmania. The neighbouring property is the Port Arthur Historic site which is one of the leading tourism sites for Tasmania. Stewarts Bay consists of 21 chalet style cabins, 19 log cabins, a tennis court, children's playground, BBQ areas, jetty, beach access and walking path directly to the historic site and a premium restaurant being Gabriel's on the Bay. Gabriel's on the Bay is a first-class restaurant catering in Tasmania's premium produce. The venue has two function rooms often booked out for a week at a time by Australia's leading business brands and local governments.



INVESTMENT HIGHLIGHTS



Located in Port Arthur historic site, being one of Tasmania's largest tourist attractions



Management rights give a lower capital entry to site



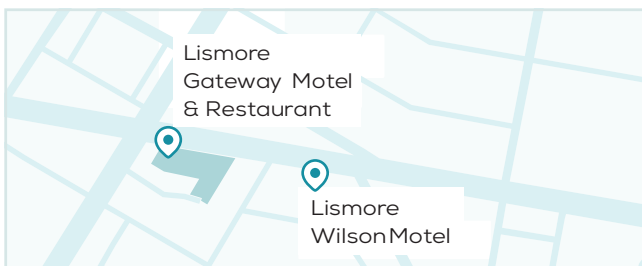
Local region underpinned by focus on tourism with additional attractions planned



Opportunity to acquire value-additive properties to expand operations

GATEWAY MOTEL

The Gateway Motel is a 34 room (apartments) plus a three bedroom manager's apartment near new four star motel with all the first class facilities and amenities you would expect: from designer bathrooms, to a fully licensed restaurant. A new management team has been hired by the Fund to manage the Gateway Motel. The Gateway Motel is conveniently located within 5 minutes' drive to Lismore CBD, Lismore Regional Airport and only 20 minutes' drive from Ballina. The combination of land is in excess of 7,731m² has total street frontage to Ballina Road and entry via Cathcart Street and Hayward Street.



INVESTMENT HIGHLIGHTS



Well located in Lismore on main thoroughfare



Motel is only 9 years old reflecting minimal CAPEX requirements



Local region underpinned by hospital and university trade



Future redevelopment plans for expansion of operations

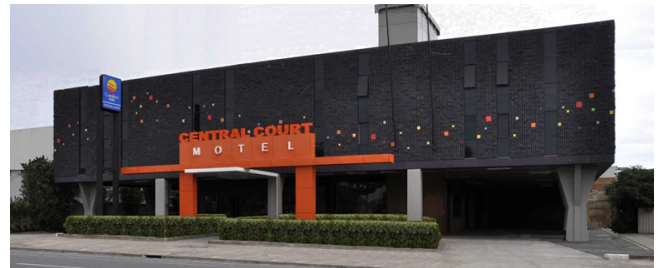
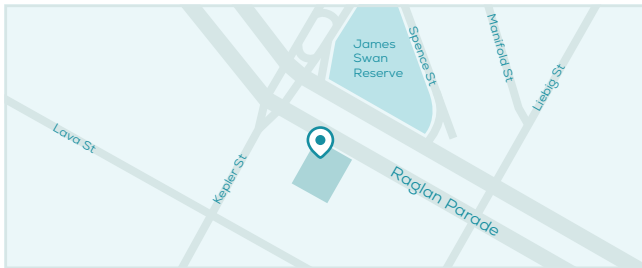
INVESTMENT OVERVIEW

CENTRAL COURT MOTEL

The Fund has exchanged on the Central Court Motel as an exciting opportunity for expanding its operations into Victoria. The impact of Covid-19 has presented the Fund with an opportunity to acquire the freehold. The property is a leased investment, however as part of the funds strategy, we intend to consequently acquire the leasehold as well as the freehold.

The Central Court Motel is a 40 room motel with good size rooms positioned in downtown area and near to beaches in Warrnambool, Victoria. It is the largest city in the Great Ocean Road region and Victoria's largest city outside of Phillip Bay located 263 km drive to South-East of Melbourne. Warrnambool is a highly liveable and vibrant coastal regional city with a strong track record of steady and sustained population and economic growth.

Regional Victoria currently presents a great opportunity to expand the Fund's portfolio into new state which would also have a positive effect on the Fund's diversification of risk and reward. The Fund already has an existing in-principle credit approval from the National Australia Bank to fund a part of the acquisition.



INVESTMENT HIGHLIGHTS



Well located in Warrnambool on main thoroughfare



Motel is only 7 years old reflecting minimal CAPEX requirements



Local region underpinned by hospital and university trade



Future redevelopment plans for expansion of operations

DIRECTORS' REPORT

The Directors of the Trustee Company, Vertua Opportunities Pty Ltd, present their report and the consolidated financial report of the Group consisting of Vertua Opportunities Fund and its controlled entities (the "Group", the Fund") for the year ended 30 June 2021.



CHRISTOPHER BREGENHOJ

Non-Executive Chairman

Christopher is a qualified Chartered Accountant with over 30 years' experience in investment banking and private equity in Australia and Hong Kong. As an Executive Director of what is now oOh! Media, Christopher was responsible for corporate acquisitions and the in-house legal division. Ooh! Media was acquired by CHAMP Private Equity in 2012 for \$166 million.

In 2012, Christopher entered a joint venture to acquire and redevelop a property, 'Astonia'. The six apartments sold for \$44.6 million and set a lower North Shore record. Christopher sits on multiple Boards of investment banking and property development businesses.



JAMES MANNING

Non-Executive Director

James' background in property development and professional services has given him a unique insight into both practical deliverables as well as complex regulatory and cross boarder transactions.

James has completed a Master of Business (Finance) from UTS and Bachelor of Accounting from ACU. He is a Fellow of the Institute of Company Directors (FAICD), and a member of Institute of Public Accountants (IPA).



BENJAMIN DOYLE

Non-Executive Director

Benjamin is the CEO and Founder of Fiducia Property Group. Having managed Fiducia for over 15 years, he has developed in excess of \$300 million of property developments. Ben has been recognised within the development industry through the Housing Industry Australia (HIA), having won the 2015 'NSW Development of the year sub \$5mil' category.



DARRON WOLTER

Executive Director and Chief Executive Officer

Darron began his career in the hospitality industry by managing Hotels in Sydney back in 1987. Darron's management strategy led him to successful ownership of a Hotel and 34 room motel in Far North Queensland, in addition to Asset Managing various resorts and Management Rights Businesses. Having extensive experience in analysing business insights, Darron has developed and effectively implementing strategies to streamline and consolidate operations into an enterprise solution. Darron is currently working on Vertua Opportunities Fund's asset acquisition and expansion strategy. Through leadership Darron has been able to inspire the behaviour and ethos of the management team to adopt best practices and enhance guest experience.



OLGA SHTIFELMAN

Chief Operating Officer

Olga is the Head of Operations in Vertua Group. Olga has had over 7 years' experience in the banking & finance and property sectors, with strong people management and organizational skills. Olga has a Bachelor of Management and Business Information Systems and is currently undergoing her Master's in Business Administration at the UTS Sydney. Olga is responsible for formulation and execution of the business strategy in collaboration with other senior management, overseeing company's administrative and operational functions including designing policies, regulatory compliance and implementing technology solutions, ensuring operational excellence company-wide.

DIRECTORS' REPORT

Fund information and Principal activity

The Fund was constituted on 30 January 2017, by Vertua Limited, the Fund Manager, as an unlisted Managed Investment Scheme (MIS).

The principal activity of the Fund during the year was that of investing in and operating tourism and hospitality assets and management rights attached to those assets in areas including Hotels, Motels, Caravan Parks, Restaurants, Food and Beverage operations, and other Specialist tourism assets, throughout Australia.

The Fund's investment objective is to deliver consistent tax effective income and the potential for long-term capital growth for the benefit of investors. Whilst this is the stated investment objective there is no guarantee that the objective will be achieved.

There were no changes to the principal activity during the period.

Review of operations

The Fund's profit for the year after income tax expense was \$2,921,918 (2020: \$815,375).

The travel restrictions imposed by the government resulted in the Fund enjoying increased interest from domestic travellers booking out our locations even outside of the usual high periods. The Fund's Management team has been working to ensure that all Fund's assets continue running as business as usual. We are delighted to confirm that all our venues, staff and site managers are prepared and looking forward to welcoming more tourists when travel restrictions are eased.

We have been working hard on improving Fund's marketing strategy and increasing our market presence across social media and booking platforms. To achieve better results we have collaborated with external marketing consultants who is now working closely with all asset managers to address any particular location's needs to increase occupancy. This move provided some relieve to managers on sites giving them more time to work with their staff on addressing customers' needs to ensure the highest standard of hospitality service.

We are continuously working on improving our marketing campaigns and booking packages to attract more tourist to all our assets to achieve best results for our stakeholders and unitholders.

Net assets attributable to Unitholders, and Units in the Fund

Net assets attributable to unitholders at 30 June 2021 were \$17,098,479. 12,897,841 units of the Fund were on issue at 30 June 2021. The movement in the year is as follows.

	2021 Units	2021 \$
Opening balance	10,798,514	12,493,222
Additional units issued	2,544,765	3,112,127
Redemptions	(445,433)	(525,610)
Profit for the year		2,921,918
Distributions to unitholders		(903,178)
Closing balance	12,897,841	\$17,098,479

Applications for new units are generally processed on the day they have been received. Redemption requests are required to be pre-assessed and received by 4pm Sydney time on a business day for processing using the unit price effective for the day of redemption. Units in the Fund are not listed on any public exchange.

The Fund calculates the Unit price bi-annually as at the end of the period. The unit price is calculated by dividing net assets attributable to unitholders, by the number of units outstanding. The unit price at the end of the period was \$1.33

DIRECTORS' REPORT

Distributions

In accordance with the Fund's Constitution, the Fund distributes its distributable income to the unitholders by way of cash or reinvestment into the Fund. The Fund operates a Distribution Re-investment Plan (DRP) which all unitholders are invited to participate in.

Distributions paid and payable to unitholders were \$903,178. Distributions declared but not yet paid were \$97,138.

The total amount of cash distributions (\$91,138) was subsequently paid to undersold in July 2021

Significant changes in state of affairs

Other than as stated in this report, there have been no significant changes in the state of affairs of the Fund during the year.

Events subsequent to the end of the financial year

Since the reporting date, the fund has settled on the purchase of "Central Court Motel" in Warnambool on 22 September 2021 and on Ballina Beach Resort on 17 November 2021.

No other significant events have occurred since the reporting date of this report.

Likely developments and expected results of operations

The Fund will continue to be managed in accordance with the provisions of the Fund Constitution and other governing documents. The results of the Fund's operations will be affected by a number of factors including the performance of the markets in which the fund operates and invests. Investment conditions change over time and past returns should not be used to predict future returns.

Indemnification and insurance of officers and auditors

No insurance premiums are paid for out of the assets of the Fund in regards to insurance cover provided to either the officers of the Responsible Entity or the auditors of the Fund. So long as the officers of the Responsible Entity act in accordance with the Fund's Constitution and the law, the officers will remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund. The auditors of the Fund are in no way indemnified out of the assets of the Fund.

Interests of the Trustee

\$398,263 of fees were charged and paid out of the assets of the Fund to the Trustee and its Associates during the year. No fees were paid out of Fund assets to the Directors of the Trustee during the year.

Environmental regulations

The operations of the Fund are not subject to any particular or significant environmental regulation under a Commonwealth, State or Territory Law.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 12.

This report is made with a resolution of Directors of the Trustee



Chris Pregon
Chairman

Sydney,
6 December 2021

AUDITORS INDEPENDENCE DECLARATION

LNP Audit + Assurance

ABN 65 155 188 837

L8 309 Kent Street Sydney NSW 2000
+61 2 9290 8515

L24 570 Bourke Street Melbourne VIC 3000
+61 3 8658 5928

L14 167 Eagle Street Brisbane QLD 4000
+61 7 3607 6379

www.lnpaudit.com

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF VERTUA OPPORTUNITES FUND

As lead auditor of Vertua Opportunities Fund for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

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

LNP Audit and Assurance Pty Ltd



Chin Ding Khoo
Director

Sydney 06 December 2021

Liability limited by a scheme approved under Professional Standards Legislation

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	Consolidated		
	Note	2021 \$	2020 \$
Revenue	B2	\$6,612,808	\$5,020,451
Other Income	B2	\$2,449,154	\$1,432,242
Total Revenue		\$9,061,962	\$6,452,693
Cost of sales		(\$765,073)	(\$876,414)
Gross Profit		\$8,296,889	\$5,576,279
Management Fees	B3(ii)	(\$392,826)	(\$150,000)
Professional Fees		(\$187,974)	(\$176,370)
Property Costs		(\$561,550)	(\$541,123)
Advertising and Promotion		(\$278,187)	(\$159,722)
Insurance Costs		(\$143,076)	(\$113,763)
Other expenses from ordinary activities		(\$338,654)	(\$272,711)
Depreciation and amortisation expense	B3(i)	(\$973,190)	(\$876,040)
Salaries and Wages		(\$2,229,949)	(\$2,113,522)
Total Expenses		(\$5,105,406)	(\$4,403,251)
Operating Profit		\$3,191,483	\$1,173,028
Finance Costs		(\$269,565)	(\$357,642)
Profit before tax		\$2,921,918	\$815,386
Income Tax		\$0	(\$11)
Profit after tax		2,921,918	815,375
Other comprehensive income for the year		-	-
Total comprehensive income, attributable to members		2,921,918	815,375

The above statement should be read in conjunction with the accompanying notes.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Consolidated		
	Note	2021 \$	2020 \$
Cash and cash equivalents	C1	\$905,180	\$450,267
Trade and other receivables	C2	\$415,845	\$95,268
Inventories		\$26,675	\$16,816
Other assets	C3	\$296,462	\$211,996
TOTAL CURRENT ASSETS		\$1,644,162	\$774,347
Investment property	C4	\$22,121,742	\$16,686,502
Property, plant and equipment		\$532,009	\$122,692
Intangibles	C5	\$2,302,988	\$2,301,606
Right of use asset		\$1,184,836	\$1,241,473
TOTAL NON CURRENT ASSETS		\$26,141,575	\$20,352,273
TOTAL ASSETS		\$27,785,737	\$21,126,620
Trade and other payables		\$267,648	\$145,498
Other current liabilities		\$1,070,378	\$591,400
Distribution payable		\$97,138	\$377,948
Financial Liabilities	C7	\$93,000	\$260,400
Provisions	C6	\$106,658	\$72,326
TOTAL CURRENT LIABILITIES		\$1,634,822	\$1,447,572
Financial liabilities	C7	\$7,794,000	\$5,907,000
Lease Liability		\$1,258,436	\$1,278,826
TOTAL NON CURRENT LIABILITIES		\$9,052,436	\$7,185,826
TOTAL LIABILITIES		\$10,687,258	\$8,633,398
NET ASSETS		\$17,098,479	\$12,493,222
Ordinary units	C8	\$14,240,187	\$11,653,670
Retained earnings		\$2,858,292	\$839,552
TOTAL EQUITY		\$17,098,479	\$12,493,222

The above statement should be read in conjunction with the accompanying notes.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

	Consolidated		
	Issued Units \$	Retained Profits \$	Total \$
Balance at 1 July 2019	\$10,285,700	\$749,403	\$11,035,103
Comprehensive income			
Profit for the year	-	\$815,375	\$815,375
Profit distribution to unitholders	-	(\$725,226)	(\$725,226)
Total comprehensive income for the year attributable to unitholders	-	\$90,149	\$90,149
Additional units issued			
1. Dividend reinvestment Plan	\$467,970	-	\$467,970
2. Capital Raises	\$1,000,000	-	\$1,000,000
Redemptions during year	(\$100,000)	-	(\$100,000)
Total transactions with unitholders	\$1,367,970	-	\$1,367,970
Balance at 30 June 2020	\$11,653,670	\$839,552	\$12,493,222
Balance at 1 July 2020	\$11,653,670	\$839,552	\$12,493,222
Comprehensive income			
Profit for the year	-	\$2,921,918	\$2,921,919
Profit distribution to unitholders	-	(\$903,178)	(\$903,178)
Total comprehensive income for the year attributable to unitholders	-	\$2,018,740	\$2,018,741
Additional units issued			
1. Dividend reinvestment Plan	\$997,127	-	\$997,127
2. Capital Raises	\$2,115,000	-	\$2,115,000
Redemptions during year	(\$525,610)	-	(\$525,610)
Total transactions with unitholders	\$2,586,517	-	\$2,586,517
Balance at 30 June 2021	\$14,240,187	\$2,858,292	\$17,098,479

The above statement should be read in conjunction with the accompanying notes.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Consolidated	
	2021 \$	2020 \$
Cashflow from operating activities		
Receipts from customers	\$7,539,162	\$6,419,339
Payments to suppliers and employees	(\$4,761,312)	(\$5,271,528)
Interest paid	(\$269,565)	(\$357,642)
Net cash provided by operating activities	\$2,508,28	\$790,168
Cash flow from investing activities		
Purchase of investment property	(\$6,424,263)	(\$6,105,893)
Sale of investment property	\$2,199,229	-
Purchase of PPE	(\$649,856)	(\$122,692)
Purchase of other assets	-	(\$6,370)
Net cash used in investing activities	(\$4,874,890)	(\$6,234,955)
Cash flow from financing activities		
Distributions paid	(\$198,062)	(\$633,394)
Proceeds from issue of units	\$2,115,000	\$1,467,960
Proceeds from borrowings	\$3,200,000	\$3,867,400
Payment of borrowings	(\$1,769,810)	(\$557,671)
Payment for unit redemptions	(\$525,610)	(\$100,000)
Net cash provided by financing activities	\$2,821,518	\$4,044,295
Net increase (decrease) in cash and cash equivalents	\$454,913	(\$1,400,492)
Cash and cash equivalents at the beginning of year	\$450,267	\$1,850,759
Cash and cash equivalents at the end of year	\$905,180	\$450,267

The above statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

A ABOUT THE REPORT

A1 GENERAL INFORMATION

Vertua Opportunities Fund is an unregistered Managed Investment Scheme (MIS) domiciled in Australia. The Fund is a for-profit entity. The principal activity of the Fund during the year was that of investing in and operating tourism and hospitality assets and management rights attached to those assets in areas including Hotels, Motels, Caravan Parks, Restaurants, Food and Beverage operations, and other Specialist tourism assets, throughout Australia.

The consolidated financial statements of the Fund and its controlled entities (Consolidated Entity, Group) were authorised for issue in accordance with a resolution of the Directors of the trustee company on 6 December 2021.

At the date of this report the Fund has a strong working capital position and its cash flow forecast indicates that it expects to be able to meet its minimum commitments and working capital requirements for the twelve month period from the date of signing the financial report.

A2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the financial report are set out below, and in sections B and C of this financial report.

These policies have been applied consistently to all periods presented in the financial report. The accounting policies are consistent with the recognition and measurement requirements of Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board (AASB).

The consolidated financial report has been prepared under the historical cost convention, except for assets that are measured at fair value at the end of each reporting period. Cost is based on the fair value of the consideration given in exchange for assets.

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

Operating Segments

The Fund operates in one segment, being investments in the tourism and hospitality industry in Australia. The Fund has determined its one operating segment based on the internal information that is provided to the chief operating decision maker and which is used in making strategic decisions.

Current and Non-Current classification

The Fund presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is classified as current when it is expected to be realised or consumed in normal operating cycle, is held primarily for the purpose of trading, or is expected to be realised within twelve months after the reporting period. All other assets are classified as non-current. A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Net assets attributable to Unitholders

Units are redeemable at the unitholders' option, however, applications and redemptions may be suspended by the trustee if it is in the best interests of the unitholders. The units can be put back to the Fund at any time for cash based on the redemption price, which is equal to a proportionate share of the Fund's net asset value attributable to the unitholders. The units are carried at the redemption amount that is payable at balance date if the holder exercises the right to put the unit back to the Fund.

The Fund classifies net assets attributable to unit holders as equity, as they satisfy the following criteria. Unit holders are

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

entitled to a pro-rata share of net assets in the event of the Fund's liquidation; the units are subordinate to all other classes of instruments and class features are identical; Units not include contractual obligations to deliver cash or another financial asset or to exchange financial instruments with another entity under potentially unfavourable conditions to the Fund and are not contracts settled in the Fund's own equity instruments; and, the total expected cash flows attributable to Units over their life are based substantially on profit or loss.

Applications and redemptions

Applications received for units in the Fund are recorded net of any entry fees payable prior to the issue of units in the Fund. Redemptions from the Fund are recorded gross of any exit fees payable after the cancellation of units redeemed.

Distributions to Unitholders

Distributions to unitholders comprise the net income of the Fund to which the unitholder is presently entitled. Any income distributions (if available) are made following the end of each financial year being 30 June each year or more frequently at the Trustees discretion.

New accounting standards and interpretations, and New accounting standards and interpretations not yet applicable

Standards applied in this period which have had no material effect on the Fund are:

- Amendments to AASB 101 and AASB 108, which provide an updated definition of material: "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements.
- Amendments to AASB 7, AASB 9 and AASB 139, interest rate benchmark reform: Provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument.

A number of other new standards, amendments to standards and interpretations are effective for periods commencing after 1 July 2021 and have not been early adopted and are not expected to have a material effect on the Fund.

Significant judgements and estimates

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Fund and that are believed to be reasonable under the circumstances. The significant estimates and judgements made are described below.

Fair values of Investment properties. The Fund obtains independent external valuations from suitably qualified experts. These are assessed and determined based on estimates and assumptions of uncertain future events.

Recoverable amount of goodwill. This is assessed based on estimates of future events and results which includes using a discounted cash flow analysis based on assumptions supported where possible by external observable information.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

B. TRUST PERFORMANCE

B1 DISTRIBUTION

During the year, the Fund made the following distributions:

	Year ended 30 June 2021 cents per unit	Year ended 30 June 2021 \$AUD	Year ended 30 June 2020 cents per unit	Year ended 30 June 2020 \$AUD
Distribution Declared 31 December	3.75	\$460,772	3.5	\$347,278
Distributions Declared 30 June	3.5	\$442,406	3.5	\$377,948

Key dates in connection with the 30 June 2021 distribution are:

Event	Date
Ex Distribution Date	28 June 2021
Record Date	28 June 2021
Distributions payment date	30 September 2021

Distribution and taxation

The Fund is not subject to income tax when its taxable income (including assessable realised capital gains) is distributed in full to the unitholders. The Fund ordinarily fully distributes its distributable income, calculated in accordance with the Fund's constitution.

Investments and financial instruments held at fair value may include unrealised capital gains. Should such a gain be realised that portion of the gain that is subject to capital gains tax will be distributed to unitholders so that the Fund is not subject to capital gains tax.

Realised capital losses are not distributed to unitholders but are retained in the Fund to be offset against any future realised capital gains. If realised capital gains exceed realised capital losses the excess is distributed to the unitholders.

Distributions paid and payable are recognised as distributions within equity. A liability is recognised where distributions have been declared but have not been paid. Distributions paid are included in cash flows from financing activities in the consolidated statement of cash flows.

B2 REVENUE

	Year ended 30 June 2021 \$AUD	Year ended 30 June 2020 \$AUD
Sales – Accommodation and associate services	\$6,389,870	\$4,394,269
Service fee Revenue – Management Rights	\$85,471	\$626,182
Gains on Disposal	\$137,467	-
Total revenue	\$6,612,808	\$5,020,451
Other income – adjustments		
Fair Value adjustments through profit & loss	\$1,887,601	\$789,445
Other Income	\$561,553	\$642,797
Total other income – adjustments	\$2,449,154	\$1,432,242

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

Policy – Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is recognised with reference to the completion by the Group of specific performance obligations of contracts with customers, as described below:

i. Sales – accommodation and associated services

The Group applies AASB 15: Revenue from Contracts with Customers effect from 1 January 2018. Revenue is recognised primarily from the sale of food, beverage and accommodation by the Group and related services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

ii. Service fee revenue – management rights

The Fund earns both a fixed asset-based management fees and performance driven asset management fees periodically for providing asset management services. These fees are generally recognised as revenue each period in accordance with the terms of the asset management contract.

iii. Other Income

Other income is recognised when it is received or when the right to receive payment is established.

iv. Fair value adjustments through profit and loss

The fair value method is a method that measures a gain or loss from a financial arrangement as the change in its fair value between two points in time. The gain or loss for a particular period is the increase or decrease in its fair value between the beginning and end of the period, adjusted for amounts paid or received during the period.

AASB 139 Financial Instruments: Recognition and Measurement (AASB 139) defines fair value as 'the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction'.

v. Interest Income

Interest revenue is accrued on a time basis, by reference to the principle outstanding using the effective interest rate method.

B3 EXPENSES

Unless otherwise stated, expenses are recognised on an accruals basis as the obligation is incurred. Finance costs are recognised using the effective interest rate method.

I Depreciation and Amortisation	Year ended 30 June 2021 \$AUD	Year ended 30 June 2020 \$AUD
Depreciation	\$912,764	\$804,365
Amortisation	\$60,426	\$71,675
Total	\$973,190	\$876,040

Property, plant and equipment is carried at cost less, where applicable, accumulated depreciation and impairment. Plant and equipment are depreciated on a straight-line basis over their useful lives, commencing when the asset is ready for use. Leased assets and leasehold improvements are amortised over the shorter of either the unexpired of the lease or their estimated useful lives.

The estimated useful lives used for each class of depreciable asset are: Buildings 25-40 years; Machinery 10-15 years; Vehicles 3-5 years; Furniture, fittings and equipment 3-8 years; Leasehold improvements 5-6 years; Leased plant and equipment 10-15 years.

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

II Management and Performance Fees	Year ended 30 June 2021 \$AUD	Year ended 30 June 2020 \$AUD
Management Fees	\$229,263	\$150,000
Performance Fees	\$163,563	-
Total	\$392,826	\$150,000

The Fund is liable to the Investment Manager (Manager) for fees and expenses associated with the acquisition, operation, and performance of the Fund. These are summarised as follows.

- Asset Management Fee, calculated as 0.8% of the net asset value of the fund,
- Performance Fee, calculated based on 20% above a levered 10% IRR paid at disposal (net of all management fees and expenses) on a 3 year basis,
- Acquisition Fee for the identification and acquisition of assets, calculated based on 1% of the purchase price of the asset, payable upon completion of the acquisition

The Manager is further entitled to recover of expenses and costs the Manager incurs on behalf of the Fund associated with the acquisition, operation, and performance of the Fund.

B4 EARNINGS PER UNIT (EPU)

Basic earnings per unit

Basic earnings per unit is calculated by dividing the profit/(loss) after tax attributable to equity holders of the Fund by the weighted average number of ordinary units outstanding during the period, adjusted for bonus elements in ordinary units issued or cancelled during the period.

Diluted earnings per units

Diluted earnings per unit adjusts the figures used in determination of basic earnings per unit to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary units and the weighted average number of additional ordinary units that would have been outstanding assuming the conversion of all dilutive potential ordinary units.

	Year ended 30 June 2021 \$AUD	Year ended 30 June 2020 \$AUD
"Net profit/loss attributable to the ordinary equity holders of the Group (\$)"	\$2,921,918	\$815,375
"Weighted average number of ordinary units for basic per share (No)"	\$12,148,824	\$10,798,514
"Continuing operations - Basic and diluted profit per share"	\$0.2405	\$0.0755

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

C. TRUST ASSETS AND LIABILITIES

Policy - Financial instruments

The Fund classifies its financial instruments based on the business model and the cash flow characteristics of the instrument at initial recognition and re-evaluates this at each year end.

Financial instruments are initially measured at fair value, being the transaction price, plus, for financial instruments classified as held at amortised cost, directly attributable transaction costs. Transaction costs of financial instruments classified at fair value through profit and loss are expensed in the statement of comprehensive income. Regular way transactions are recognised on trade date.

Financial instruments classified as held to collect the contractual cash flows are subsequently measured at amortised cost. Interest is calculated by applying the effective interest rate method and is reflected in profit and loss.

Any impairment charge on financial assets measured at amortised cost includes the change in expected credit losses (ECL). ECL are calculated as the difference between the contractual cash flows that are due to the Fund and the cash flows that the Fund expects to receive given the probability of default and losses, discounted at the original effective interest rate. The ECL model has been built based on the levels of loss experienced, with due consideration given to forward-looking information.

The Fund's financial instruments measured at amortised cost comprise Cash and cash equivalents, Trade and other receivables, Trade and other payables and Financial Liabilities.

Trade and other payables are unsecured and are usually paid within 30 days of recognition.

C1 CASH AND CASH EQUIVALENTS	30 June 2021 \$AUD	30 June 2020 \$AUD
Cash at bank	\$887,591	\$440,098
Cash on hand	\$17,589	\$10,169
Total cash on hand	\$905,180	\$450,267

Cash and cash equivalents comprise cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

C2 TRADE AND OTHER RECEIVABLES	30 June 2021 \$AUD	30 June 2020 \$AUD
Trade and other receivables	\$369,845	\$53,268
Deposits	\$46,000	\$42,000
Total	\$415,845	\$95,268

C3 OTHER ASSETS	30 June 2021 \$AUD	30 June 2020 \$AUD
Prepayments	\$103,363	\$164,879
Unit Issue receivable	\$193,099	\$47,116
Total Other Assets	\$296,462	\$211,996

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

Policy – Assets Held at Fair Value – Investment Property

Assets and liabilities measured at fair value are classified within one of three levels within the fair value hierarchy : Level 1 being quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2 being Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly, and; Level 3 being unobservable inputs.

The Fund measures and recognises Investment Property at fair value on a recurring basis, with gains or losses recognised in income. The fair value of Investment Property is principally determined based on the amount that the Fund can realise the assets for. The fair value is assessed at least each three years by external, independent and qualified valuers, and otherwise annually internally. The valuers use capitalised income projections based on estimated net market income and a capitalisation rate derived from an analysis of market evidence. Key inputs used in the valuations are the discount rate, terminal yield, capitalisation rate, expected occupancy rates and growth rates. The inputs are adjusted, if necessary, for any changes in economic circumstances between the measurement date and the reporting date. Changes in fair value are recognised in profit or loss, and therefore Investment Properties are classified as Level 3.

The Fund considers the level of hierarchy its investments each time a new or significant change to underlying investments is made. At the present time, the Fund does not envisage assets being transferred between hierarchy categories as the Funds investment strategy in relation to asset classes has not changed. No assets were transferred between hierarchy categories during the period.

C4 INVESTMENT PROPERTY	30 June 2021 \$AUD	30 June 2020 \$AUD
Investment Property	\$22,121,742	\$16,686,502
Total	\$22,121,742	\$16,686,502

The basis of valuations of the Funds Investment property as at 30 June 2021 are as follows.

Property	Fair Value \$AUD 30 Jun 2021	Fair Value \$AUD 30 Jun 2020	Valuer	Last Valuation Date
NSW				
Tuross Beach	\$3,185,757	\$3,687,725	External	3 June 2021
The Gateway Motel	\$6,029,648	\$6,046,370	Internal	30 April 2019
Yamba Motor Inn	\$4,049,009	-	External	22 November 2020
Beach Drive Motel	-	\$2,001,623	External	20 March 2017
TAS				
Stewarts Bay Lodge	\$1,480,570	\$665,240	External	6 July 2021
On the Bay	\$1,566,703	\$904,031	External	6 July 2021
Barclay Motor Inn	\$3,575,000	\$3,381,513	External	6 July 2021
VIC				
Central Court	\$2,235,055	-	Internal	1 July 2020

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

Policy – Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period is reviewed annually.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable.

The Goodwill held by the fund is currently assessed as having an indefinite useful life. Other intangibles are amortised on a straight line basis over 2 to 5 years.

C5 INTANGIBLE ASSETS

	30 June 2021 \$AUD	30 June 2020 \$AUD
Goodwill	\$2,260,479	\$2,260,479
Management rights	\$42,509	\$37,336
Other	-	\$3,791
Total	\$2,302,988	\$2,301,606

C6 PROVISIONS

Policy

Provision is made for the liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled. Changes in the measurement of the liability are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

C7 BANK FACILITIES

The Fund has banking facilities with the National Australia Bank (NAB), secured with mortgages and a general charge over the assets of the Fund.

Location	Principal Limit \$AUD	Interest Rate	Period ended 30 June 2021 \$AUD		Period ended 30 June 2020 \$AUD	
			Drawings	Balance	Drawings	Balance
Lismore	\$240,000	2.571%	-	\$240,000	-	\$240,000
Lismore	\$3,240,000	2.571%	-	\$2,997,000	-	\$3,240,000
Barclay	\$1,500,000	2.571%	-	\$1,450,000	-	\$1,500,000
Tuross Head	\$1,200,000	3.321%	-	-	-	\$452,400
Batemans Bay*	\$915,000	2.571%	-	-	-	\$723,682
Central Court	\$1,000,000	2.571%	-	\$1,000,000	-	-
Yamba	\$2,200,000	2.571%	-	\$2,200,000	-	-

* Sold on 03/12/2020

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

C8 ISSUED CAPITAL	30 June 2021		30 June 2020	
	Units	\$	Units	\$
Opening Balance	10,798,514	\$11,653,670	9,651,668	\$10,285,700
Units Issued	1,763,203	\$2,115,000	837,608	\$1,000,000
Distribution Reinvestment Plan	781,562	\$997,127	396,195	\$467,970
Unit Redemption	(445,438)	(\$525,610)	(86,957)	(\$100,000)
Closing Balance	12,897,841	\$14,240,187	10,798,514	\$11,653,670

Costs directly attributable to the issue of new units or options are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration.

Ordinary units entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the units held. The fully paid ordinary units have no par value and the company does not have a limited amount of authorised capital. On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each unit shall have one vote.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

D FUND STRUCTURE

D1 INTEREST IN MATERIAL CONTROLLED ENTITIES

Basis of consolidation

The consolidated financial statements include the financial position and performance of controlled entities of the Fund (Group) from the date on which control is obtained until the date that control is lost. Intragroup assets, liabilities, equity, income, expenses and cash flows relating to transactions between entities in the Group have been eliminated in full for the purpose of these financial statements.

Controlled entities are entities which the Fund controls. Control is established when the Parent Entity is exposed to, or has rights to variable returns from its involvement with the entities and has the ability to affect those returns through its power to direct the activities of the entities.

The Fund controls the following entities:

Controlled Entity	Place of Incorporation	% held 2021	% held 2020
Vertua Opportunities Property Pty Ltd	Australia	100%	100%
Tuross Head Holdings Pty Ltd	Australia	100%	100%
Australia Travel Agent Pty Ltd	Australia	100%	100%
VOF FB Pty Ltd	Australia	100%	100%
VOF 1 Pty Ltd	Australia	100%	100%
VOF Operations Pty Ltd	Australia	100%	100%

These entities are the Trustee companies of the underlying special purpose vehicles, which are unit trusts, which hold the underlying operating assets and liabilities of each of the Funds Investments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

D2 RELATED PARTY TRANSACTIONS

Vertua Limited (**Vertua**) is the Investment Manager of the Fund. Vertua is also the sole shareholder in Vertua Opportunities Pty Ltd, which is the Trustee of the Fund. Accordingly, entities associated with Vertua are considered related parties.

Fees paid to Vertua, or associated companies of Vertua are:

- i. Management fees of \$229,236 (2020: \$150,000) were paid to Vertua.
- ii. Performance fees of \$163,563 (2020:\$0) were paid to Vertua

The Fund did not hold any interests in related parties as at year end or throughout the current or prior years.

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

a. Subsidiaries

Interests in subsidiaries are set out in Note D1. Balances and transactions between the Fund and its subsidiaries, which are related parties of the Fund, have been eliminated on consolidation and are not disclosed in this note.

b. Transactions with key management personnel	Year ended 30 June 2021 \$AUD	Year ended 30 June 2020 \$AUD
Short term employee benefits		
Salaries and fees	\$177,370	\$156,164
Post-Employment Benefits		
Superannuation	\$25,250	\$23,236
Total Remuneration	\$202,620	\$179,400

D3 PARENT ENTITY DISCLOSURES

The table below represents the stand-alone financial position and performance of Vertua Opportunities Fund and does not include the financial position and performance of its subsidiaries. Accordingly, the amounts reflected above may be different from the consolidated financial statements.

Financial Position	30 June 2021 \$AUD	30 June 2020 \$AUD
Assets		
Current Assets	\$282,535	\$45,566
Non-current Assets	\$13,497,325	\$13,004,215
Total Assets	\$13,779,860	\$13,049,781
Liabilities		
Current Liabilities	\$391,872	\$556,680
Total Liabilities	\$391,872	\$556,680
Equity		
Issued Capital	\$14,240,187	\$11,653,670
Retained Earnings (Excluding Comprehensive income for the year)	(\$446,282)	\$123,340
Total comprehensive income for the year	(\$405,917)	\$716,091
Total Equity	\$13,387,988	\$12,493,101

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

E OTHER NOTES

E1 RISK

The Group's activities expose it to a variety of financial risks including but not limited to:

- Liquidity risk;
- Interest rate risk;
- Credit risk; and
- Capital Management risk

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risks to which it is exposed. The method used is a sensitivity analysis for each of liquidity risk and interest rate risk.

The capital structure of the Group consists of equity attributable to unit holders of the Fund, comprising issued unit, reserves and retained earnings.

Interest rate risk management

The Trust's activities expose it primarily to the financial risks of changes in interest rates.

Interest rate sensitivity

The sensitivity analysis below has been determined based on the Trust's exposure to interest rates at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period, in the case of financial assets and financial liabilities that have variable interest rates.

At reporting date, if variable interest rates had been 100 basis points ('bps') higher or lower and all other variables were held constant, the impact to the Fund has not been material:

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who oversee a liquidity risk management framework for the management of the Group's funding and liquidity management requirements. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring there are appropriate plans in place to finance these future cash requirements.

Credit Risk

Credit risk arises from cash and cash equivalents and credit exposures to customers, including outstanding receivables. Credit risk is managed on a group basis. For banks and financial institutions, the Group aims to hold deposits with independently rated parties with an acceptable credit rating.

Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for unitholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of distributions paid to unitholders, return capital to unitholders, issue new units or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as current borrowings less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial performance plus net debt.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

E2 COMMITMENTS AND CONTINGENCIES

Guarantees entered into by the Group

There were no guarantees entered into by the Group as at 30 June 2021.

Contingent Liabilities and Commitments of the Group

The Group did not have any contingent liabilities as at 30 June 2021.

E3 EVENTS AFTER THE REPORTING DATE

Since the reporting date, the fund has settled on the purchase of "Central Court Motel" in Warnambool on 22 September 2021 and on Ballina Beach Resort on 17 November 2021.

No other significant events have occurred since the reporting date of this report.

E4 NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

Certain new accounting standards and amendments to standards have been published that are not mandatory for reporting periods commencing 1 July 2020 and have not been early adopted by the Fund. These standards are not expected to have a material impact on the Fund in the current or future reporting periods and on foreseeable transactions.

E5 ADDITIONAL INFORMATION

The registered office and principle place of business of the Trust are as follows:

Level 5, 97 Pacific Highway

North Sydney, NSW 2060

DIRECTORS DECLARATION

IN THE DIRECTORS' OPINION:

The directors of the trustee company, Vertua Opportunities Pty Ltd, declare that:

1. the financial statements and notes for the year ended 30 June 2021
 - b. comply with Australian Accounting Standards; and
 - c. give a true and fair view of the Fund's financial position as at 30 June 2021 and its performance for the year then ended;

2. In the directors' opinion, there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable with the continuing support of creditors.

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



Christopher Bregenhoj
Chairman

6 December 2021

LNP Audit + Assurance

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF VERTUA OPPORTUNITIES FUND

Opinion

We have audited the financial report of Vertua Opportunities Fund, (the Fund), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows for the year then ended, the consolidated statement of changes in equity, notes comprising a summary of significant accounting policies and other explanatory information and the declaration of the directors of the trustee company (the Directors).

In our opinion:

The financial report of Vertua Opportunities Fund has been prepared in accordance with the Trust Deed including:

1. Giving a true and fair view of the Fund's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
2. Complying with Australian Accounting Standards to the extent described in Note A2.

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 Statements section of our report. We are independent of the Fund in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia; and we have 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 & Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note A2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Directors' financial reporting responsibilities under the Trust Deed. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for Vertua Opportunities Fund and should not be distributed to or used by parties other than Vertua Opportunities Fund. Our opinion is not modified in respect of this matter.

Trustees' Responsibilities

The Directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards to the extent described in Note A2 and the Trust Deed 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.

Liability limited by a scheme approved under Professional Standards Legislation

LNP Audit + Assurance

In preparing the financial report, the Directors are responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Fund or 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 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 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 entity'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 in the preparation of the financial report. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial report about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial report. However, future events or conditions may cause an entity to cease to continue as a going concern.

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.

LNP Audit and Assurance Pty Ltd



Chin Ding Khoo

Director

Sydney 06 December 2021

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

POST NOTES

	Year ended 30 June 2021	Year ended 30 June 2020
Unit Valuation		
Net Assets of the Fund	\$17,098,479	\$12,493,222
Plus accrued distribution	\$97,138	\$377,948
Total Unitholder funds	\$17,195,617	\$12,871,170
Units on Issue	12,897,841	10,798,514
Value per unit	\$1.33	\$1.19
Total Distributions paid	\$0.07	\$0.07

CORPORATE STRUCTURE

VERTUA OPPORTUNITIES PTY LTD

(A.C.N. 617 079 419)

As trustee for Vertua Opportunities Fund
(ABN: 84 129 409 279)

Directors

James Manning
Benjamin Doyle
Darron Wolter
Christopher Bregenhoj

Tuross Head Holdings Pty Ltd

(A.C.N. 616 958 733)

As trustee for the Tuross Head Holdings Unit Trust
(ABN: 72 798 659 701)

Directors

James Manning
Benjamin Doyle
Christopher Bregenhoj

Existing Assets

Tuross Head Holiday Park

Vertua Opportunities Property Pty Ltd

(A.C.N. 617 324 688)

Vertua Opportunities Property Unit Trust
(ABN: 30 118 231 070)

Directors

Benjamin Doyle
Darron Wolter
James Manning

Existing Assets

Freehold Land
- Barclay Motor Inn
Freehold Land
- Gateway Motel Lismore
Freehold Land
- On the Bay
Freehold Land
- Central Court Motel
Freehold Land
-Yamba Motor Inn

VOF 1 Pty Ltd

(A.C.N. 624 116 061)

As trustee for the VOF 1 Unit Trust
(ABN: 71 461 138 150)

Directors

Darron Wolter

Existing Assets

Stewarts Bay Lodge
- Management Rights

VOF Operations Pty Ltd

(A.C.N. 625 014 191)

As trustee for the VOF Operations Unit Trust
(ABN: 71 461 138 150)

Directors

Darron Wolter
James Manning
Olga Shtifelman

Existing Assets

Barclay Motor Inn
- Leasehold
Gateway Motel
- Leasehold
Yamba Motor Inn
- Leasehold
Central Court Motel
- Leasehold

VOF FB Pty Ltd

(A.C.N. 625 990 436)

As trustee for VOF FB Unit Trust
(ABN: 49 416 059 957)

Directors

Darron Wolter
James Manning

Existing Assets

On the Bay

Australian Travel Agent Pty Ltd

(A.C.N. 625 990 123)

As trustee for VOF Marketing Unit Trust
(ABN: 97 885 242 975)

Directors

Darron Wolter
James Manning

Existing Assets

Nil



one
Investment Group

ABN

84 129 409 279

REGISTERED OFFICE

Level 5, 97 Pacific Highway
North Sydney, NSW 2060

UNIT REGISTRY

ONE REGISTRY

PO BOX R1479
Royal Exchange NSW 1225

WEBSITE ADDRESS

www.opportunities.vertua.com.au