

Tosca (AF) Fund
ARSN 657 974 662

Annual report for the financial year ended 30 June 2022

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Directors' Report

The directors of One Managed Investment Funds Limited (ACN 117 400 987; AFSL 297042) ("OMIFL" or the "Responsible Entity"), the responsible entity of Tosca (AF) Fund (ARSN 657 974 662) (the "Fund") submit their report together with the financial statements of the Fund year ended 30 June 2022 (the "reporting period").

Responsible Entity - from 3 March 2022 to date

The responsible entity of the Fund is OMIFL. The registered office and principal place of business of the Responsible Entity is Level 16, Governor Macquarie Tower, 1 Farrer Place, Sydney, NSW 2000.

Former Trustee - from 22 December 2020 to 2 March 2022

The former Trustee of the Fund is Toscafund Australia Pty Ltd (formerly QMG Pty Ltd) (ACN 164 204 728; AFSL 446096) ("Toscafund" or the "Former Trustee"). The registered office and principal place of business of Toscafund is Level 1, 500 Collins Street, Melbourne VIC 3000.

Information about the Directors and Senior Management

The names of the directors and company secretaries of the Responsible Entity who held office from 3 March 2022 to the date of this report are:

Name	Title
Frank Tearle	Executive Director and Company Secretary
Sarah Wiesener	Executive Director and Company Secretary
Michael Sutherland	Executive Director

The names of the directors and company secretaries of the Former Trustee from 22 December 2020 to 2 March 2022 are:

Name	Title
Matthew Unsworth	Executive Director and Company Secretary
Steven Rode	Executive Director
David Foster	Executive Director (resigned on 25 January 2022)

Principal Activities

The Fund is an unlisted registered managed investment scheme, constituted and domiciled in Australia.

The Fund was constituted on 22 December 2020, commenced operations on 1 June 2021 and registered on 22 March 2022.

The Fund is a feeder fund, investing all of its investable assets in, and conducting all of its investment operations through an underlying fund, which serves, directly or through subsidiaries, as the investment vehicle for the Fund.

The Fund did not have any employees during the year.

Directors' Report (continued)

Review of Operations

Value of Assets and Units Issued

The total value of the Fund's assets as at 30 June 2022 was \$4,058,458 (2021: \$821,330). The total number of units on issue as at 30 June 2022 was 3,958,192 (2021: 865,000).

Results

The results of the operations of the Fund are disclosed in the Statement of Profit or Loss and Other Comprehensive Income of the financial statements. The profit attributable to unitholders for the financial year ended 30 June 2022 was \$151,370 (2021: \$43,670 loss).

Distributions

In respect of the financial year ended 30 June 2022, distributions totalling \$67,334 were declared and payable to the unitholders as of 30 June 2022 (2021: nil).

Changes in State Affairs

On 3 March 2022, the unitholders appointed OMIFL to be the new trustee of the Fund, and Toscafund retired as the trustee. The Fund was subsequently registered with ASIC on 22 March 2022.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Fund that occurred during the financial year.

Subsequent Events

There has been no matter or circumstance occurring subsequent to the year ended 30 June 2022 that has 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 periods.

Likely Developments

The Fund will continue to be managed in accordance with the Constitution and investment objectives as detailed in its most recent Product Disclosure Statement dated 31 March 2022.

Environmental Regulation and Performance

Other than as disclosed elsewhere, the operations of the Fund are not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory. There have been no known significant breaches of any other environmental requirements applicable to the Fund.

Indemnification of Directors, Officers and Auditors

During or since the financial year, the Fund has not indemnified or made a relevant agreement to indemnify an officer of the Responsible Entity or auditor of the Fund or any related corporate body against a liability incurred by an officer of the Responsible Entity or auditor of the Responsible Entity. In addition, the Fund has not paid, or agreed to pay, a premium in respect of a contract insuring against a liability incurred by an officer of the Responsible Entity or auditor of the Fund.

Directors' Report (continued)

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 4.

On behalf of the directors of the Responsible Entity, One Managed Investment Funds Limited.

A handwritten signature in blue ink that reads "Frank Tearle". The signature is written in a cursive, flowing style.

Frank Tearle
Director

30 September 2022



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

To the Directors of the Responsible Entity for Tosca (AF) Fund:

I declare that, to the best of my knowledge and belief, in relation to the audit of Tosca (AF) Fund for the financial year ended 30 June 2022 there have been:

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

KPMG

Andrew Reeves
Partner

Sydney
30 September 2022

Tosca (AF) Fund

Statement of Profit or Loss and Other Comprehensive Income for the financial year ended 30 June 2022

	Notes	1 July 2021 to 30 June 2022 \$	22 December 2020 to 30 June 2021 \$
Income			
Interest income		168	-
Net gains/(losses) on financial assets at fair value through profit or loss		151,517	(43,670)
Total income		151,685	(43,670)
Expenses			
Bank charges		315	-
Total expenses		315	-
Net income/(loss) attributable to unitholders		151,370	(43,670)
Other comprehensive income/(loss)		-	-
Total comprehensive income/(loss)		151,370	(43,670)

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

Tosca (AF) Fund

Statement of Financial Position as at 30 June 2022

		30 June 2022	30 June 2021
	Notes	\$	\$
Assets			
Cash and cash equivalents	9(a)	8,092	8,650
Financial assets at fair value through profit or loss	4	4,050,366	812,680
Total assets		4,058,458	821,330
Liabilities			
Payables and accruals		988	-
Distribution payable		67,334	-
Total liabilities		68,322	-
Net assets attributable to the unitholders	7	3,990,136	821,330

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

Tosca (AF) Fund

Statement of Changes in Net Assets Attributable to the Unitholders for the financial year ended 30 June 2022

	1 July 2021 to 30 June 2022 \$
Opening balance	821,330
Total comprehensive income	151,370
Applications for units during the year	3,084,780
Redemption of units during the year	(10)
Distributions	(67,334)
Net assets attributable to unitholders	3,990,136

	22 December 2020 to 30 June 2021 \$
Opening balance	-
Total comprehensive loss	(43,670)
Applications for units during the period	865,000
Redemption of units during the period	-
Distributions	-
Net assets attributable to unitholders	821,330

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

Tosca (AF) Fund

Statement of Cash Flows for the financial year ended 30 June 2022

	1 July 2021 to 30 June 2022	22 December 2020 to 30 June 2021
Notes	\$	\$
Cash flows from operating activities		
Proceeds from sale of financial assets at fair value through profit or loss	4,008,450	-
Purchase of financial assets at fair value through profit or loss	(7,094,619)	(856,350)
Interest received	168	-
Receipt of funds allocated for expenses	988	-
Payments to suppliers	(315)	-
Net cash used in operating activities	9(b) (3,085,328)	(856,350)
Cash flows from financing activities		
Proceeds from applications by unitholders	3,084,780	865,000
Payments for redemption by a unitholder	(10)	-
Net cash provided by financing activities	3,084,770	865,000
Cash and cash equivalents at the beginning of the year/period	8,650	-
Net (decrease)/increase in cash and cash equivalents	(558)	8,650
Cash and cash equivalents at the end of the year/period	9(a) 8,092	8,650

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

Notes to the Financial Statements

1. General information

This financial report covers Tosca (AF) Fund (ARSN 657 974 662) (the "Fund") an unlisted registered managed investment scheme. The Fund commenced operations by allotting units to investors on 1 June 2021.

The Fund is a feeder fund, investing all of its investable assets in, and conducting all of its investment operations through an underlying fund, Tosca UCITS Fund ("Underlying Fund" or "UCITS"), which serves, directly or through subsidiaries, as the investment vehicle for the Fund.

The former Trustee of the Fund is Toscafund Australia Pty Ltd (formerly QMG Pty Ltd) (ACN 164 204 728; AFSL 446096) ("Toscafund" or the "Former Trustee"). The registered office and principal place of business of Toscafund is Level 1, 500 Collins Street, Melbourne VIC 3000.

On 3 March 2022, the unitholders appointed One Managed Investment Funds Limited (ACN 117 400 987; AFSL 297042) ("OMIFL" or the "Responsible Entity") to be the new trustee of the Fund. The Responsible Entity's registered office is Level 16, Governor Macquarie Tower, 1 Farrer Place, Sydney, NSW 2000.

The investment manager of the Fund is Toscafund Australia Pty Ltd (ACN 164 204 728; AFSL 446096) (the "Investment Manager").

The Investment Manager is 100% owned by Old Oak Holdings Limited. Toscafund Asset Management LLP ("TAM" or "Underlying Fund Manager") is a subsidiary of Old Oak Holdings Limited and is the investment manager of the underlying fund in which the Fund invests.

The financial statements are presented in the Australian dollar currency and cover the financial year from 1 July 2021 to 30 June 2022 (the "reporting period").

The financial statements were authorised for issue by the Responsible Entity on 29 September 2022.

2. Adoption of New and Revised Accounting Standards and Interpretations

The Fund has adopted all the new and revised Standards and interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and are effective for the current financial reporting year ended 30 June 2022.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

3. Summary of Significant Accounting Policies

The following significant accounting policies have been adopted in the preparation and presentation of the financial statements.

a) Statement of Compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, the Corporations Act 2001, other authoritative pronouncements and interpretations of the Australian Accounting Standards Board and the Fund's Constitution.

Notes to the Financial Statements

3. Summary of Significant Accounting Policies (continued)

a) Statement of Compliance (continued)

Compliance with Australian Accounting Standards, as issued by the AASB, ensures that the financial statements and notes there to comply with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

b) Basis of Preparation

This general purpose financial report has been prepared using historical cost basis, except for asset at fair value through profit or loss.

The Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within twelve months, except for financial assets at fair value through profit or loss and net assets attributable to unitholders.

c) Going Concern Basis

This general purpose financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

d) Revenue and Income Recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured.

Interest income is recognised as the interest accrues, using an annual percentage rate to the net carrying value of the financial asset.

e) Expenses

All expenses, including Responsible Entity's fees and custodian fees, are recognised in profit or loss on an accruals basis.

f) Cash and Cash Equivalents

Cash and cash equivalents comprise cash held at bank.

g) Taxation

Under current legislation, the Fund is not subject to income tax provided that the unitholders are presently entitled to the income of the Fund and that the Fund entirely distributes its taxable income.

There is no taxable income of the Fund to which the unitholders are not currently entitled. Additionally, the Fund's Constitution requires the distribution of the full amount of the net taxable income of the Fund to unitholders each year. As a result, deferred taxes have not been recognised in the financial statements in relation to the differences between carrying amounts of assets and liabilities and their respective tax bases. This includes taxes on capital gains which could arise in the event of a sale of investments for the amount at which they are stated in the financial statements. In the event that the taxable gains are realised by the Fund, these gains would be included in the taxable income and assessable in the hands of the unitholders.

Notes to the Financial Statements

3. Summary of Significant Accounting Policies (continued)

h) Distributions

The Fund distributes its distributable income, calculated in accordance with the Fund's Constitution, PDS and applicable tax legislation, to unitholders who are presently entitled to the income under the Fund's Constitution. In accordance with the PDS, distributions will only be paid from the Fund's cash from operations and reserves.

i) Payables

Trade and other payables represent the liabilities for goods and services received by the Fund that remain unpaid at the end of the reporting period. The balance is recognized as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Trade and other payables are recognised when the Fund becomes obliged to make future payments resulting from the purchase of goods and services.

j) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST") except:

- where the amount of GST is not recoverable from the taxation authority, it is recognised as part of the acquisition of an asset or part of an item of expense; or for receivables and payables which are recognised inclusive of GST.
- the net amount of GST recoverable from, or payable to, the taxation authority is recognised as a receivable or payable on the Statement of Financial Position. Cash flows are included in the Statement of Cash Flows on a gross basis.

The GST component of cash flows arising from investing activities which is recoverable from or payable to the taxation authority is classified as operating cash flow.

The GST incurred on the costs of various services provided to the Fund by third parties such as audit fees, management fees, administration fees and legal fees were subjected to the Reduced Input Tax Credits ("RITC") in accordance with legislation.

k) Financial instruments

Initial recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within time frames established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs and subsequently measured at fair value through profit or loss.

Notes to the Financial Statements

3. Summary of Significant Accounting Policies (continued)

k) Financial instruments (continued)

Classification and subsequent measurement

Financial assets

The Fund classifies its investments based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Fund's portfolio of financial assets is managed and its performance is evaluated on a fair value basis in accordance with the Fund's documented investment strategy.

Financial Assets at Fair Value through Profit or Loss ("FVTPL")

Subsequently, financial assets are measured at fair value. Any movement arising from the changes in the fair value of financial assets are included in the Statement of Profit or Loss and Other Comprehensive Income in the reporting period in which they arise.

Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Impairment

The financial assets held at amortised cost are subject to impairment testing. At the end of each reporting period, the Fund assesses whether there is objective evidence that the financial assets have been impaired.

Derecognition

Financial assets are derecognised if the Fund's contractual rights to the cash flows from the financial assets expire, or if the Fund transfers the financial assets to another party without retaining substantially all the risks and rewards attached to the asset.

Financial liabilities are derecognised if the Fund's obligations specified in the contract expire or are discharged or cancelled.

l) Foreign currency translation

(i) Functional and presentation currency

Items included in the Fund's financial statements are measured using the currency of the primary economic environment in which it operates (the 'functional currency'). This is the Australian dollar, which reflects the currency of the economy in which the Fund operates and is regulated. The Australian dollar is also the Fund's presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at period end exchange rates are recognised in profit or loss.

Notes to the Financial Statements**3. Summary of Significant Accounting Policies (continued)*****m) 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.

n) Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, management are required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The assumptions and methods used in the determination of the value of investments are outlined in Note 3(k) of this financial report.

4. Financial assets at fair value through profit or loss

	30 June 2022	30 June 2021
	\$	\$
Investment in Tosca UCITS Fund	4,010,000	-
Investment in Tosca Citco Fund Services (Ireland) Limited	-	856,350
Fair value gain/(loss) on financial assets	40,366	(43,670)
Carrying value at end of the year/period	4,050,366	812,680

As of 30 June 2022, the Fund's investment is composed of its investments in Underlying Fund. The Underlying Fund's portfolio is concentrated on companies which have a significant level of business in financial services and associated business sectors such as banking institutions, e-commerce companies, real estate investment trusts and insurance institutions.

During the year, the Fund's investment in Tosca Citco Fund Services (Ireland) Limited ("Tosca") was redeemed and the Fund received proceeds amounting to \$4,008,450 including a gain of \$67,481. These proceeds was then invested in the Underlying Fund.

An overview of the risk exposures and fair value measurements relating to financial assets at fair value through profit or loss is included in Note 5 and Note 6 to the financial statements.

Notes to the Financial Statements

5. Financial risk management objectives and policies

The most important types of financial risk to which the Fund is exposed are market risk and liquidity risk. The exposure to each of these risks, as well as the Fund's policies and processes for managing these risks is described below.

a) Market risk

Market risk embodies the potential for both loss and gains and includes currency risk, interest rate risk and other price risk. The Fund's strategy on the management of market risk is driven by the Fund's investment objective. The Fund's market risk is managed by the Investment Manager as required by the Responsible Entity in accordance with the investment guidelines outlined in the Product Disclosure Statement.

Cash flow and fair value interest rate risk

The Fund's cash and cash equivalents and floating rate borrowings expose it to a risk of change in the fair value or future cash flows due to changes in interest rates.

The Fund's exposure to interest rate risk at reporting date, including its sensitivity to changes in market interest rates that were reasonably possible, is as follows:

30 June 2022

	Floating interest rate \$	Non- interest bearing \$	Total \$
Financial assets			
Cash and cash equivalents	8,092	-	8,092
Financial assets at fair value through profit or loss	-	4,050,366	4,050,366
Total financial assets	8,092	4,050,366	4,058,458
Financial liabilities			
Trade and other payables	-	988	988
Distributions payable	-	67,334	67,334
Total financial liabilities	-	68,322	68,322
Net exposure to interest rate risk	8,092	3,982,044	3,990,136

Notes to the Financial Statements

5. Financial risk management objectives and policies (continued)

a) Market risk (continued)

30 June 2021

	Floating interest rate \$	Non-interest bearing \$	Total \$
Financial assets			
Cash and cash equivalents	8,650	-	8,650
Financial assets at fair value through profit or loss	-	812,680	812,680
Total financial assets	8,650	812,680	821,330
Financial liabilities			
Trade and other payables	-	-	-
Distributions payable	-	-	-
Total financial liabilities	-	-	-
Net exposure to interest rate risk	8,650	812,680	821,330

Sensitivity of profit or loss to movements in market interest rates for financial instruments with fair value risk:

	30 June 2022 \$ Increase/(Decrease)	30 June 2021 \$ Increase/(Decrease)
Market interest rate increased by 100 basis points	81	87
Market interest rate decreased by 100 basis points	(81)	(87)

Price risk

The Fund is exposed to equity securities price risk. This arises from investments held by the Fund for which prices in the future are uncertain. The securities and instruments in which the Underlying Fund invests are subject to normal market fluctuations and other risks inherent in investing in such investments.

At 30 June 2022, the Fund's overall exposure to price risk is equal to its investments in financial assets at fair value through profit and loss amounting to \$4,050,366 (2021: \$812,680).

The following table demonstrates the sensitivity of the Fund's net assets and net profit to a reasonable change in price, with all other variables constant as at 30 June 2022. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market movements resulting from changes in the performance of and/or correlation between the performances of the economies, markets and securities in which the Fund invests. As a result, historic variations in risk variables should not be used to predict future variations in the risk variables.

Notes to the Financial Statements

5. Financial risk management objectives and policies (continued)

a) Market risk (continued)

	Impact on operating profit/Net assets attributable to unitholders	
	Price risk	
	-10%	+10%
30 June 2022	405,037	(405,037)
30 June 2021	81,268	(81,268)

b) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Investment Manager monitors the Fund's exposure to liquidity risk by ensuring that as required there is sufficient cash on hand to meet the contractual obligations of financial liabilities as they fall due.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period. The amounts in the table are the contractual undiscounted cash flows.

At 30 June 2022

	Less than 1 month
	\$
Liabilities	
Trade and other payables	988
Distributions payable	67,334
Total liabilities	68,322

At 30 June 2021

	Less than 1 month
	\$
Trade and other payables	-
Distributions payable	-
Total liabilities	-

Notes to the Financial Statements

6. Fair value measurement

The Underlying Fund's assets are held in England by The Northern Trust Company, London branch and are denominated in currency that depends on the location of the Relevant Market on which the assets are listed or traded.

The Northern Trust International Fund Administration Services (Ireland) Limited, as administrator of the Underlying Fund, is responsible for valuing the Underlying Fund's assets. The Underlying Fund's exchange traded assets are valued at quoted prices and non-exchange traded assets are typically valued, in the case of OTC derivatives, daily at the counterparty's valuation, and in the case of cash and cash equivalents, at nominal / face value plus accrued interest.

Neither The Northern Trust International Fund Administration Services (Ireland) Limited nor The Northern Trust Company are a related party of the Responsible Entity nor the Investment Manager.

Fair value hierarchy

The following table detail the Fund's assets measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

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

Level 3: Unobservable inputs for the asset or liability

30 June 2022

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets at fair value through profit or loss	-	4,050,366	-	4,050,366
Total assets	-	4,050,366	-	4,050,366

30 June 2021

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets at fair value through profit or loss	-	812,680	-	812,680
Total assets	-	812,680	-	812,680

Notes to the Financial Statements**6. Fair value measurement (continued)**

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

7. Net assets attributable to unitholders

Movements in the number of units and net assets attributable to unitholders during the year/period were as follows:

Year ended 30 June 2022	No. of Units	\$
Opening balance	865,000	821,330
Applications for units	3,093,202	3,084,780
Redemptions	(10)	(10)
Net gain attributable to unitholders	-	151,370
Distributions paid to unitholders	-	(67,334)
Balance as at 30 June 2022	3,958,192	3,990,136

Period from 22 December 2020 to 30 June 2021	No. of Units	\$
Opening balance	-	-
Applications for units	865,000	865,000
Net loss attributable to unitholders	-	(43,670)
Balance as at 30 June 2021	865,000	821,330

The Fund has two classes of units in issue: Founder Units and Institutional Units.

Founder Units and Institutional Units rank equally, have the same rights, restrictions, obligations, terms and conditions, except for the following in respect of the Founder Units:

(a) Eligibility: Founder Units are offered at the Investment Manager's discretion.

(b) Fees and costs: A lower management fee will be charged at the Underlying Fund level, which will be reflected in the net asset value referable to Founder Units.

During the year, only Founder units have been issued by the Fund.

Notes to the Financial Statements

8. Capital management

The Fund's objectives for managing capital are:

- to invest the capital in investments meeting the description, risk exposure and expected return indicated in the Fund's PDS;
- to maintain sufficient liquidity to meet the ongoing expenses of the Fund; and
- to maintain sufficient size to make the operation of the Fund cost-efficient.

As a result of the ability to issue, redeem and transfer units, the capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund as stated on the Fund's PDS.

9. Cash and cash equivalents

a) Cash and cash equivalents include cash at bank. Cash at the end of the year/period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	30 June 2022	30 June 2021
	\$	\$
Cash at bank	8,092	8,650
Balance at end of the year/period	8,092	8,650

b) Reconciliation of net income attributable to unitholders for the year/period to net cash provided by operating activities:

	1 July 2021 to 30 June 2022	22 December 2020 to 30 June 2021
	\$	\$
Net income/(loss) attributable to unitholders	151,370	(43,670)
Adjustments for:		
Proceeds from sale of financial assets at fair value through profit or loss	4,008,450	-
Purchase of financial assets at fair value through profit or loss	(7,094,619)	(856,350)
Net (gains)/losses on financial assets at fair value through profit or loss	(151,517)	43,670
Net change in payables and accruals	988	-
Net cash used in operating activities	(3,085,328)	(856,350)

Notes to the Financial Statements**10. Related Party Transactions**

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

a) Key Management Personnel*(i) Directors*

The key management personnel of the Responsible Entity for the period from 3 March 2022 to 30 June 2022 are:

Name	Title
Frank Tearle	Executive Director and Company Secretary
Sarah Wiesener	Executive Director and Company Secretary
Michael Sutherland	Executive Director

The key management personnel of the Former Trustee for the period from 22 December 2020 to 2 March 2022 are:

Name	Title
Matthew Unsworth	Executive Director and Company Secretary
Steven Rode	Executive Director
David Foster	Executive Director (resigned as a director on 25 January 2022)

(ii) Other key management personnel

Matthew Unsworth is a director of the Investment Manager. He is considered key management personnel through authorities given in the investment management agreement.

b) Key management personnel compensation

No key management personnel received any remuneration from the Fund.

c) Key management personnel unitholdings

Key management personnel and their associates have held units in the Fund during the financial year as follows:

Unitholder	Unit class	Year ended 30 June 2022					No. of Distributions units paid/payable by the Fund	(Units)
		No. of units held opening	No. of units held closing	Interest held	No. of units acquired	No. of units disposed		
		(Units)	(Units)	(%)	(Units)	(Units)		
David Foster*	Founder Units	-	105,317	2.66	105,317	-	-	
Matthew Unsworth	Founder Units	-	100,234	2.53	100,234	-	1,705	
Matthew Unsworth	Initial Units	-	-	-	10	10	-	
Total		-	205,551	5.19	205,561	10	1,705	

*resigned as a director on 25 January 2022

Notes to the Financial Statements

10. Related Party Transactions (continued)

c) Key management personnel unitholdings (continued)

Unitholder	Unit class	Period ended 30 June 2021					
		No. of units held opening (Units)	No. of units held closing (Units)	Interest held (%)	No. of units acquired (Units)	No. of units disposed (Units)	Distributions paid/payable by the Fund (\$)
David Foster	Founder Units	-	-	-	-	-	-
Matthew Unsworth	Founder Units	-	-	-	-	-	-
Matthew Unsworth	Initial Units	-	-	-	-	-	-
Total		-	-	-	-	-	-

d) Other transactions within the fund

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Fund during the financial year and there were no material contracts involving key management personnel's interests existing at year end.

e) Key management personnel loan disclosures

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

f) Transactions with Investment Manager and its associated entities

The investment manager for the Fund is Toscafund Australia Pty Ltd.

There were no other fees paid or payable to the Manager for the financial year ended 30 June 2022 (2021: nil).

The Underlying Fund Manager has agreed to pay all management fees and costs which comprise Responsible Entity fees, custody fees and operating costs and expenses until such time as agreed between the Responsible Entity, the Investment Manager and Toscafund Asset Management LLP.

Notes to the Financial Statements

11. Auditors' Remuneration

During the year, the following fees were paid or payable for services provided by the auditors for the Fund. These will be paid by the Investment Manager and will not be recharged to the Fund.

	1 July 2021 to 30 June 2022	22 December 2020 to 30 June 2021
	\$	\$
Audit services - KPMG	20,000	-
Compliance plan audit - Ernst & Young	4,350	-
Total	24,350	-

12. Commitments and Contingencies

There were no other contingent assets and liabilities or commitments as at 30 June 2022 (2021: nil).

13. Subsequent Events

There has not been any matter or circumstance occurring subsequent to the end of the financial year ended 30 June 2022 that has 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 periods.

Directors' Declaration

The directors of the Responsible Entity declare that:

- (a) 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;
- (b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 3(a) to the financial statements; and
- (c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with Accounting Standards and giving the true and fair view of the financial position as at 30 June 2022 and performance of the Fund for the financial year ended on that date.

Signed in accordance with a resolution of the directors of the Responsible Entity made pursuant to Section 303(5) of the Corporations Act 2001.

On behalf of the directors of the Responsible Entity, One Managed Investment Funds Limited.



Frank Tearle
Director

30 September 2022



Independent Auditor's Report

To the unit holders of Tosca (AF) Fund

Opinion

We have audited the **Financial Report** of Tosca (AF) Fund (the Fund).

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

- giving a true and fair view of the Fund's financial position as at 30 June 2022, and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises the:

- Statement of financial position as at 30 June 2022;
- Statement of comprehensive income for the year then ended;
- Statement of changes in equity, and Statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Directors' Declaration made by the Directors of Equity Trustees Limited (the Responsible Entity).

Basis for opinion

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

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Fund in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other Information

Other Information is financial and non-financial information in Tosca (AF) Fund's annual reporting which is provided in addition to the Financial Report and Auditor's Report. The Directors of the Responsible Entity are responsible for the Other Information.

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



In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of the Directors for the Financial Report

The Directors of the Responsible entity are responsible for:

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

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

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

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

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

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

KPMG

Andrew Reeves
Partner

Sydney
30 September 2022