

Alpha Funds

Annual report For the year ended 30 June 2024

This financial report covers the following Alpha Funds:

Alpha High Growth Fund

ARSN 124 204 299

Alpha Moderate Fund

ARSN 124 203 907

Alpha Funds

Annual report For the year ended 30 June 2024

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Directors' declaration

Independent auditor's report to the unit holders of Alpha Funds

This annual report covers the following Funds as individual entities:

Alpha High Growth Fund

Alpha Moderate Fund

The Responsible Entity of Alpha Funds is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975).

The Responsible Entity's registered office is:

Level 1, 575 Bourke Street
Melbourne, Victoria 3000.

Directors' report

The directors of Equity Trustees Limited, the Responsible Entity of the Alpha Funds (the "Funds"), present their report together with the financial statements of the following Funds for the year ended 30 June 2024.

Alpha High Growth Fund

Alpha Moderate Fund

The Funds are collectively known as "Alpha Funds".

Principal activities

The principal activity of each Fund is to invest in accordance with the investment objective and guidelines as set out in the respective Fund's current Product Disclosure Statements and its Constitutions.

The Funds did not have any employees during the year.

There were no other significant changes in the state of the affairs of the Funds' activities during the year.

The various service providers for the Funds are detailed below:

Service	Provider
Responsible Entity	Equity Trustees Limited
Investment Manager	Alpha Fund Managers Pty Ltd
Custodian and Administrator	Apex Fund Services Pty Ltd (an Apex Group Company)
Statutory Auditor	Deloitte Touche Tohmatsu

Directors

The following persons held office as directors of Equity Trustees Limited during or since the end of the year and up to the date of this report:

Philip D Gentry	Chairman (resigned 6 June 2024)
Michael J O'Brien	Chairman (appointed 6 June 2024)
Russell W Beasley	
Mary A O'Connor	
David B Warren	
Andrew P Godfrey	(appointed 1 May 2024)

Directors' report (continued)

Review and results of operations

During the year, the Funds continued to invest their funds in accordance with the Product Disclosure Statements and the provisions of the Funds' Constitutions.

Alpha High Growth Fund delivered a total return (net of fees) of 21.25% (net of fees) for the year ended 30 June 2024. The return of the Fund's benchmark, the Morningstar Australia Aggressive Target Allocation Index, was 14.06% for the same year.

Alpha Moderate Fund delivered a total return (net of fees) of 8.03% (net of fees) for the year ended 30 June 2024. The return of the Fund's benchmark, the Morningstar Australia Moderate Target Allocation Index, was 6.67% for the same year.

The Fund's performance is calculated based on the percentage change in the Fund's redemption price over the period (with any distributions paid during the period reinvested). Returns are disclosed after fees and expenses.

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

	Alpha High Growth Fund		Alpha Moderate Fund	
	Year ended		Year ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$	\$
Profit/(loss) for the year	4,438	3,120	532,803	562,218
Distributions paid and payable	689	477	43,419	151,484
Distributions (cents per unit)	2.6796	1.3875	0.4381	0.9586

Singificant changes in the state of affairs

Andrew P Godfrey was appointed as a director of Equity Trustees Limited on 1 May 2024.

Philip D Gentry resigned as a director of Equity Trustees Limited on 6 June 2024.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Funds that occurred during the financial year ended 30 June 2024.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may have a significant effect on:

- i. the operations of the Funds in future financial years; or
- ii. the results of those operations in future financial years; or
- iii. the state of affairs of the Funds in future financial years.

Directors' report (continued)

Likely developments and expected results of operations

The Funds will continue to be managed in accordance with the investment objectives and guidelines as set out in the Product Disclosure Statements and the provisions of the Funds' Constitutions.

The results of the Funds' operations will be affected by a number of factors, including the performance of investment markets in which the Funds invest. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Indemnification and insurance of officers

No insurance premiums are paid for out of the assets of the Funds in regard to insurance cover provided to the officers of Equity Trustees Limited. So long as the officers of Equity Trustees Limited act in accordance with the Funds' Constitution and the Law, the officers remain indemnified out of the assets of the Funds against losses incurred while acting on behalf of the Funds.

Indemnification of auditor

The auditor of the Funds is in no way indemnified out of the assets of the Funds.

Fees paid to and interests held in the Funds by the Responsible Entity or its associates

Fees paid to the Responsible Entity and its associates out of Funds' property during the year are disclosed in Note 14 to the financial statements.

No fees were paid out of Funds' property to the directors of the Responsible Entity during the year.

The number of interests in the Funds held by the Responsible Entity or its associates as at the end of the financial year are disclosed in Note 14 to the financial statements.

Interests in the Funds

The movement in units on issue in the Funds during the year is disclosed in Note 7 to the financial statements.

The value of the Funds' assets and liabilities is disclosed on the statements of financial position and derived using the basis set out in Note 2 to the financial statements.

Environmental regulation

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

Rounding of amounts

Amounts in the Directors' report have been rounded to the nearest thousand dollars for the Alpha High Growth Fund and to the nearest dollar for the Alpha Moderate Fund in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, unless otherwise indicated.

Financial statements presentation

The Funds are entities of the kind referred to in *ASIC Corporations (Related Scheme Reports) Instrument 2015/839* and in accordance with that Instrument, Funds with a common Responsible Entity (or related Responsible Entities) can include their financial reports in adjacent columns in a single set of financial reports.

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 6.

This report is made in accordance with a resolution of the directors of Equity Trustees Limited through a delegated authority given by Equity Trustees Limited's Board.



Andrew P Godfrey
Director

Melbourne
25 september 2024

25 September 2024

The Board of Directors
Equity Trustees Limited
Level 1, 575 Bourke Street
MELBOURNE VIC 3000

Dear Board Members,

Auditor's Independence Declaration - Alpha High Growth Fund and Alpha Moderate Fund

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the Directors of Equity Trustees Limited, the Responsible Entity, regarding the financial reports of Alpha High Growth Fund and Alpha Moderate Fund (collectively the "Alpha Funds" or the "Funds").

As lead audit partner for the audits of the financial reports of the Funds for the financial year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audits; and
- any applicable code of professional conduct in relation to the audits.

Yours faithfully



DELOITTE TOUCHE TOHMATSU



Jonathon Corbett
Partner
Chartered Accountants

Alpha Funds
Statements of comprehensive income
For the year ended 30 June 2024

Statements of comprehensive income

	Note	Alpha High Growth Fund Year ended		Alpha Moderate Fund Year ended	
		30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$	30 June 2023 \$
Income					
Interest income from financial assets at amortised cost		9	-	9,289	9
Dividend and distribution income		700	1,016	143,818	247,047
Net foreign exchange gain/(loss)		28	(55)	(7,303)	(26,533)
Net gains/(losses) on financial instruments at fair value through profit or loss		4,080	2,686	464,038	485,823
Management fees and costs reimbursement	14(g)	38	214	122,658	148,642
Other income		7	11	4,691	-
Total income/(loss)		4,862	3,872	737,191	854,988
Expenses					
Management fees and costs		241	467	169,861	233,989
Withholding taxes		153	234	29,621	41,424
Transaction costs		30	50	4,890	12,858
Interest expenses		-	-	1	180
Other expenses		-	1	15	4,319
Total expenses		424	752	204,388	292,770
Profit/(loss) for the year		4,438	3,120	532,803	562,218
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		4,438	3,120	532,803	562,218

The above statements of comprehensive income should be read in conjunction with the accompanying notes.

Alpha Funds
Statements of financial position
As at 30 June 2024

Statements of financial position

	Note	Alpha High Growth Fund As at		Alpha Moderate Fund As at	
		30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$	30 June 2023 \$
Assets					
Cash and cash equivalents	9	428	1,399	336,818	127,237
Receivables	11	84	118	308,054	203,418
Due from brokers - receivable for securities sold		80	-	4	35
Financial assets at fair value through profit or loss	5	25,065	24,339	5,637,545	8,568,248
Margin accounts		209	200	209,289	200,000
Total assets		25,866	26,056	6,491,710	9,098,938
Liabilities					
Distributions payable	8	405	48	-	34,803
Payables	12	69	469	5,449	-
Total liabilities		474	517	5,449	34,803
Net assets attributable to unit holders - equity	7	25,392	25,539	6,486,261	9,064,135

The above statements of financial position should be read in conjunction with the accompanying notes.

Alpha Funds
Statements of changes in equity
For the year ended 30 June 2024

Statements of changes in equity

	Note	Alpha High Growth Fund Year ended		Alpha Moderate Fund Year ended	
		30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$	30 June 2023 \$
Total equity at the beginning of the financial year		25,539	28,079	9,064,135	13,806,968
Comprehensive income for the financial year					
Profit/(loss) for the year		4,438	3,120	532,803	562,218
Other comprehensive income		-	-	-	-
Total comprehensive income		4,438	3,120	532,803	562,218
Transactions with unit holders					
Applications	7	6,307	5,946	1,161,435	1,578,766
Redemptions	7	(10,210)	(11,136)	(4,228,693)	(6,732,333)
Reinvestment of distributions	7	7	7	-	-
Distributions paid and payable	7	(689)	(477)	(43,419)	(151,484)
Total transactions with unit holders		(4,585)	(5,660)	(3,110,677)	(5,305,051)
Total equity at the end of the financial year		25,392	25,539	6,486,261	9,064,135

The above statement of changes in equity should be read in conjunction with the accompanying notes with reference to Notes 2c and 7.

Alpha Funds
Statements of cash flows
For the year ended 30 June 2024

Statements of cash flows

	Note	Alpha High Growth Fund Year ended		Alpha Moderate Fund Year ended	
		30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$	30 June 2023 \$
Proceeds from sale of financial instruments at fair value through profit or loss		19,044	32,404	4,951,025	12,357,497
Payments for purchase of financial instruments at fair value through profit or loss		(15,770)	(25,308)	(1,556,253)	(6,301,169)
Net foreign exchange gain/(loss)		23	(50)	(5,538)	(30,790)
Net movement in margin accounts		(9)	(200)	(9,289)	(200,000)
Interest income received from financial assets at amortised cost		9	-	9,290	-
Interest paid		-	-	(1)	(180)
Dividends and distributions received		548	793	129,342	209,207
Other income received		40	11	15,657	-
Management fees and costs paid		(603)	(401)	(172,502)	(241,822)
Management fees and costs reimbursement received		-	214	-	60,172
Other expenses paid		(30)	(84)	(4,905)	(27,996)
Net cash inflow/(outflow) from operating activities	10(a)	3,252	7,379	3,356,826	5,824,919
Cash flows from financing activities					
Proceeds from applications by unit holders		6,307	5,946	1,161,435	1,578,766
Payments for redemptions by unit holders		(10,210)	(11,136)	(4,228,693)	(6,732,333)
Distributions paid to unit holders		(325)	(633)	(78,222)	(349,576)
Net cash inflow/(outflow) from financing activities		(4,228)	(5,823)	(3,145,480)	(5,503,143)
Net increase/(decrease) in cash and cash equivalents		(976)	1,556	211,346	321,776
Cash and cash equivalents at the beginning of the year		1,399	(152)	127,237	(198,796)
Effect of foreign currency exchange rate changes on cash and cash equivalents		5	(5)	(1,765)	4,257
Cash and cash equivalents at the end of the year	9	428	1,399	336,818	127,237
Non-cash operating and financing activities	10(b)	7	7	-	-

The above statements of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

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1. General information

These financial statements cover the below Funds, (the "Funds") as individual entities. The Funds are Australian registered managed investment schemes, which were constituted on the dates in the below table and will terminate in accordance with the provisions of the Funds' Constitutions or by Law.

Alpha High Growth Fund	28 February 2007
Alpha Moderate Fund	28 February 2007

The Responsible Entity of the Funds is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975) (the "Responsible Entity"). The Responsible Entity's registered office is Level 1, 575 Bourke Street, Melbourne, VIC 3000. The financial statements are presented in the Australian currency unless otherwise noted.

The principal activity of each Fund is to invest in accordance with the investment objective and guidelines as set out in the Fund's current Product Disclosure Statements and their respective Constitutions.

The financial statements were authorised for issue by the directors on the date the Directors' declaration was signed. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

2. Summary of material accounting policies

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

a. Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001* in Australia. The Funds are for-profit entity for the purpose of preparing the financial statements.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities, except where otherwise stated.

The statements 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 12 months, except for investments in financial assets and net assets attributable to unit holders.

The Funds manage financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within 12 months, however, an estimate of that amount cannot be determined as at reporting date.

In the case of net assets attributable to unit holders, the units are redeemable on demand at the unit holders' option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within 12 months cannot be reliably determined.

i. Compliance with International Financial Reporting Standards (IFRS)

The financial statements of the Funds also comply with IFRS as issued by the International Accounting Standards Board (IASB).

2. Summary of material accounting policies (continued)

a. Basis of preparation (continued)

ii. New and amended standards adopted by the Funds

The Fund has applied the following standards and amendments for the first time for its financial year beginning 1 July 2023:

- *AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates [AASB 7, AASB 101, AASB 108, AASB 134 & AASB Practice Statement 2].*

The amendments have had an impact on the Funds' disclosures of accounting policies, including the requirement to disclose 'material' rather than 'significant' accounting policies, but not on the measurement, recognition or presentation of any items in the Funds' financial statements.

None of the other standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2023 have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

iii. New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2024 and have not been early adopted in preparing these financial statements.

None of these are expected to have a material effect on the financial statements of the Funds.

b. Financial instruments

i. Classification

- Financial assets

The Funds classify their financial assets in the following measurement categories:

- those to be measured at fair value through profit or loss; and
- those to be measured at amortised cost.

The Funds classify their financial assets based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

The Funds' portfolio of financial assets is managed and its performance is evaluated on a fair value basis in accordance with the Funds' documented investment strategy. The Funds' policy is for the Investment Manager to evaluate the information about these financial assets on a fair value basis together with other related financial information.

For equity securities, the contractual cash flows of these instruments do not represent solely payments of principal and interest. Consequently, these investments are measured at fair value through profit or loss.

For cash and cash equivalents, margin accounts, due from brokers, receivables, these assets are held in order to collect the contractual cash flows and the contractual terms of these assets give rise, on specified dates, to cash flow that are solely payments of principal and interest on the principal amount outstanding. Consequently, these are measured at amortised cost.

2. Summary of material accounting policies (continued)

b. Financial instruments (continued)

i. Classification (continued)

- Financial liabilities

For financial liabilities that are not classified and measured at fair value through profit or loss, these are classified as financial liabilities at amortised cost (distributions payable and management fees and costs payable).

ii. Recognition and derecognition

The Funds recognise financial assets and financial liabilities on the date they become party to the contractual agreement (trade date) and recognise changes in the fair value of the financial assets or financial liabilities from this date.

Financial assets are derecognised when the right to receive cash flows from the financial assets have expired or the Funds have transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statements of comprehensive income.

iii. Measurement

- Financial instruments at fair value through profit or loss

At initial recognition, the Funds measure a financial asset and a financial liability at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statements of comprehensive income.

Subsequent to initial recognition, all financial assets and liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of 'financial assets or liabilities at fair value through profit or loss' category are presented in the statements of comprehensive income within 'net gains/(losses) on financial instruments at fair value through profit or loss' in the period in which they arise.

For further details on how the fair value of financial instruments is determined please see Note 4 to the financial statements.

- Financial instruments at amortised cost

For financial assets and financial liabilities at amortised cost, they are initially measured at fair value including directly attributable costs and are subsequently measured using the effective interest rate method less any allowance for expected credit losses.

Cash and cash equivalents, margin accounts, due from brokers and receivables are carried at amortised cost.

2. Summary of material accounting policies (continued)

b. Financial instruments (continued)

iv. Impairment

At each reporting date, the Fund shall estimate a loss allowance on each of the financial assets carried at amortised cost (cash and cash equivalents, due from brokers and receivables) at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counter party, probability that the counter party will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that the asset is credit impaired. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the net carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

The expected credit loss (ECL) approach is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Fund expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

The amount of the impairment loss is recognised in the statements of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statements of comprehensive income.

c. Net assets attributable to unit holders

Units are redeemable at the unit holders' option; however, applications and redemptions may be suspended by the Responsible Entity if it is in the best interests of the unit holders.

The units can be put back to the Funds at any time for cash based on the redemption price which is equal to a proportionate share of the Funds' net asset value attributable to the unit holders.

The units are carried at the redemption amount that is payable at the reporting date if the holder exercises the right to put the units back to the Funds.

The Funds' units are classified as equity as they satisfy the following criteria under AASB 132 *Financial Instruments: Presentation*:

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Funds' liquidation;
- the puttable financial instrument is in the class of instruments that is subordinate to all other classes of instruments and class features are identical;
- the puttable financial instrument does not include any contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavourable conditions to the Funds, and is not a contract settled in the Funds' own equity instruments; and
- the total expected cash flows attributable to the puttable financial instrument over the life are based substantially on the profit or loss.

d. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in the statement of financial position.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as trading of these securities represents the Funds' main income generating activity.

2. Summary of material accounting policies (continued)

e. Margin accounts

Margin accounts comprise cash held as collateral for derivative transactions and short sales. The cash is held by the broker and is only available to meet margin calls. It is not included as a component of cash and cash equivalents.

f. Income

i. Interest income

Interest income from financial assets at amortised cost is recognised using the effective interest method and includes interest from cash and cash equivalents.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Funds estimate cash flows considering all contractual terms of the financial instruments (for example, prepayment options) but do not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

ii. Dividends and distributions

Dividend income is recognised on the ex-dividend date with any related foreign withholding tax recorded as an expense. The Funds currently incur withholding tax imposed by certain countries on investment income. Such income is recorded gross of withholding tax in the statements of comprehensive income.

Trust distributions are recognised on an entitlement basis.

g. Expenses

All expenses are recognised in the statements of comprehensive income on an accruals basis.

Management fees and costs covers certain ordinary expenses such as Responsible Entity fees, investment management fees, custodian fees, and administration and audit fees and other operating expense.

h. Income tax

Under current legislation, the Funds are not subject to income tax provided it attributes the entirety of its taxable income to its unit holders.

The Funds currently incur withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the statements of comprehensive income. Withholding taxes are included in the statements of comprehensive income as an expense.

i. Distributions

The Funds may distribute their distributable income, in accordance with the Funds' Constitution, to unit holders by cash or reinvestment. The distributions are recognised in the statements of changes in equity.

2. Summary of material accounting policies (continued)

j. Foreign currency translation

i. Functional and presentation currency

Balances included in the Funds' financial statements are measured using the currency of the primary economic environment in which they operate (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Funds compete for funds and are regulated. The Australian dollar is also the Funds' 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 translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statements of comprehensive income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

The Funds do not isolate that portion of unrealised gains or losses on financial instruments at fair value through profit or loss which is due to changes in foreign exchange rates. Such fluctuations are included in the net gains/(losses) on financial instruments at fair value through profit or loss.

k. Due from/to brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the year. The due from brokers balance is held for collection and is recognised initially at fair value and subsequently measured at amortised cost.

l. Receivables

Receivables may include amounts for interest, dividends and trust distributions. Dividends and trust distributions are accrued when the right to receive payment is established. Where applicable, interest is accrued on a daily basis. Amounts are generally received within 30 days of being recorded as receivables.

m. Payables

Payables include liabilities and accrued expenses owing by the Funds which are unpaid as at the end of the reporting period.

A separate distribution payable is recognised in the statements of financial position.

Distributions declared effective 30 June in relation to unit holders who have previously elected to reinvest distributions are recognised as reinvested effective 1 July of the next financial year.

n. Applications and redemptions

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

2. Summary of material accounting policies (continued)

o. Goods and services tax (GST)

The GST incurred on the costs of various services provided to the Funds by third parties such as management, administration and custodian services where applicable, have been passed onto the Funds. The Funds qualify for Reduced Input Tax Credits (RITC) at a rate of at least 55%. Hence fees for these services and any other expenses have been recognised in the statements of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the statements of financial position. Cash flows relating to GST are included in the statements of cash flows on a gross basis.

p. Use of estimates and judgements

The Fund makes estimates, assumptions and judgements that affect the reported amounts of assets and liabilities within the current and next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods effected.

For the majority of the Funds' financial instruments, quoted market prices are readily available. However, certain financial instruments, for example over-the-counter derivatives or unquoted securities, are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Investment Manager.

The Funds estimate that the resultant expected credit loss (ECL) derived from using impairment model, has not materially impacted the Funds. Please see Note 3 for more information on credit risk.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations, require management to make estimates and judgements. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

For more information on how fair value is calculated refer to Note 4 to the financial statements.

q. Rounding of amounts

The Funds are entities of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded to the nearest thousand dollars for the Alpha High Growth Fund and to the nearest dollar for the Alpha Moderate Fund, unless otherwise indicated.

r. Comparative revisions

Comparative information has been revised where appropriate to enhance comparability. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

3. Financial risk management

The Funds' activities expose them to a variety of financial risks including market risk (which incorporates price risk, foreign exchange risk and cash flow and fair value interest rate risk), credit risk and liquidity risk.

The Funds' overall risk management programme focuses on ensuring compliance with the Funds' Product Disclosure Statements and the investment guidelines of the Funds. They also seek to maximise the returns derived for the level of risk to which the Funds are exposed and seek to minimise potential adverse effects on the Funds' financial performance. The Funds' policy allows them to use derivative financial instruments in managing the financial risks.

3. Financial risk management (continued)

All investments present a risk of loss of capital. The maximum loss of capital on long equity securities and listed unit trusts is limited to the fair value of those positions.

The investments of the Funds, and associated risks, are managed by a specialist Investment Manager, Alpha Funds Managers Pty Ltd ("Alpha") under an Investment Management Agreement (IMA) approved by the Responsible Entity, and containing the investment strategy and guidelines of the Funds, consistent with those stated in the Product Disclosure Statements.

The Funds use different methods to measure different types of risk to which it is exposed. These methods are explained below.

a. Market risk

i. Price risk

The Funds are exposed to price risk on their investment in equity securities and unit trusts listed or quoted on recognised securities exchanges and unlisted unit trusts. Price risk arises from investments held by the Funds for which prices in the future are uncertain. Where non-monetary financial instruments are denominated in currencies other than the Australian dollar, the price in the future will also fluctuate because of changes in foreign exchange rates which are considered a component of price risk.

Alpha manages price risk for the Funds by selecting and investing in securities and underlying managed investment schemes that are deemed most appropriate to achieve the investment objectives of the Funds. This process involves extensive due diligence and ongoing monitoring of the securities and underlying selected schemes. The securities and underlying selected schemes and managed investment schemes are diversified to further mitigate price risk.

The tables at Note 3(b) summarises the sensitivities of the Funds' assets and liabilities to price risk. The analysis is based on the reasonably possible shift that the investment portfolio in which the Funds invests moves by +/-10% (2023: +/-10%).

ii. Foreign exchange risk

The Fund operates internationally and holds both monetary and non-monetary assets denominated in currencies other than the Australian dollar. Foreign exchange risk arises as the value of monetary securities denominated in other currencies fluctuate due to changes in exchange rates. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk and not foreign exchange risk. However, the Investment Manager monitors the exposure of all foreign currency denominated assets and liabilities.

Foreign exchange risk is managed by hedging back foreign currencies into Australian Dollars where possible. The Investment Manager monitors the value of these foreign currency positions and alters the foreign exchange hedges accordingly.

The table below summarises the fair value of the Funds' financial assets and financial liabilities, monetary and non-monetary, which are denominated in a currency other than the Australian dollar.

	USD A\$'000	HKD A\$'000	CAD A\$'000	All other foreign currencies A\$'000
Alpha High Growth Fund				
As at 30 June 2024				
Cash and cash equivalents	63	-	-	16
Receivables	5	5	-	1
Financial assets at fair value through profit or loss	11,283	990	161	3,953
Net exposure	11,351	995	161	3,970

3. Financial risk management (continued)

a. Market risk (continued)

ii. Foreign exchange risk (continued)

Alpha High Growth Fund	USD A\$'000	HKD A\$'000	CAD A\$'000	All other foreign currencies A\$'000
As at 30 June 2023				
Cash and cash equivalents	18	53	1	303
Receivables	8	3	-	2
Financial assets at fair value through profit or loss	10,420	803	136	4,301
Net exposure	10,446	859	137	4,606

Alpha Moderate Fund	USD A\$	HKD A\$	GBP A\$	All other foreign currencies A\$
As at 30 June 2024				
Cash and cash equivalents	66,388	1,428	23,069	65,626
Receivables	667	407	73	-
Due from brokers - receivable for securities sold	-	4	-	-
Financial assets at fair value through profit or loss	1,019,671	57,714	52,124	387,391
Net exposure	1,086,726	59,553	75,266	453,017
As at 30 June 2023				
Cash and cash equivalents	16,198	8,839	287	83,919
Receivables	1,324	544	324	-
Financial assets at fair value through profit or loss	1,404,532	113,140	96,101	613,564
Net exposure	1,422,054	122,523	96,712	697,483

The table at Note 3(b) summarises the sensitivities of the Funds' monetary assets and liabilities to foreign exchange risk. The analysis is based on the reasonably possible shift that the Australian dollar weakened and strengthened by 10% (2023: +/-10%) against the material foreign currencies to which the Funds are exposed.

iii. Cash flow and fair value interest rate risk

The Funds are exposed to cash flow and fair value interest rate risk on financial instruments with variable interest rates. Financial instruments with fixed rates expose the Funds to fair value interest rate risk.

The Funds' interest bearing financial assets expose them to risks associated with the effects of fluctuation in the prevailing levels of market interest rate on its financial positions and cash flows. The impact of interest rate risk on net assets attributable to unit holders and operating profit are considered immaterial to the Funds.

Cash flow and fair value interest rate risk management is undertaken by maintaining as close to a fully invested position as possible thus limiting the exposure of the Funds to interest rate risk.

3. Financial risk management (continued)

b. Summarised sensitivity analysis

The following tables summarise the sensitivity of the Funds' operating profit and net assets attributable to unit holders to market risks. The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in foreign exchange rates and the historical correlation of the Funds' investments with the relevant benchmark and market volatility. 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 Funds invests. As a result, historic variations in risk variables should not be used to predict future variances in the risk variables.

	Impact on operating profit/net assets attributable to unit holders			
	Alpha High Growth Fund		Alpha Moderate Fund	
	Price risk		Price risk	
	+10%	-10%	+10%	-10%
	\$'000	\$'000	\$	\$
As at 30 June 2024	2,507	(2,507)	563,755	(563,755)
As at 30 June 2023	2,434	(2,434)	856,825	(856,825)

	Impact on operating profit/net assets attributable to unit holders			
	Alpha High Growth Fund		Alpha Moderate Fund	
	Foreign exchange risk		Foreign exchange risk	
	+10%	-10%	+10%	-10%
	\$'000	\$'000	\$	\$
As at 30 June 2024	9	(9)	15,766	(15,766)
As at 30 June 2023	39	(39)	11,144	(11,144)

c. Credit risk

The Funds are exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when they fall due, causing a financial loss to the Funds.

The Funds do not have a significant concentration of credit risk that arises from an exposure to a single counterparty or group of counterparties having similar characteristics. The main concentration of credit risk, to which the Funds are exposed, arises from cash and cash equivalents and amounts due from brokers balances and other receivables. None of these assets are impaired nor past their due date. The maximum exposure to credit risk is the carrying of these balances as at the reporting date.

The Funds determine credit risk and measures expected credit losses for financial assets measured at amortised cost using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward-looking information in determining any expected credit loss. At 30 June 2024 and 30 June 2023, all receivables, amounts due from brokers, cash and short-term deposits are held with counterparties with a credit rating of B- or higher and are either callable on demand or due to be settled within 1 week. Management consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Funds.

d. Liquidity risk

Liquidity risk is the risk that the Funds 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.

Exposure to liquidity risk for the Funds may arise from the requirement to meet daily unit holder redemption requests or to fund foreign exchange related cash flow requirements.

3. Financial risk management (continued)

d. Liquidity risk (continued)

In order to manage the Funds' overall liquidity, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unit holders. The Funds did not reject or withhold any redemptions during 2024 and 2023.

i. Maturities of non-derivative financial liabilities

All non-derivative financial liabilities of the Funds in the current period have maturities of less than 1 month.

4. Fair value measurement

The Funds measure and recognise financial assets and liabilities at fair value through profit or loss on a recurring basis.

- Financial assets at fair value through profit or loss (see Note 5)

The Funds have no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

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

The Funds value their investments in accordance with the accounting policies set out in Note 2 to the financial statements. For the majority of their investments, the Funds rely on information provided by independent pricing services for the valuation of their investments.

a. Valuations using level 1 inputs

The fair value of financial instruments traded in active markets (such as listed equity securities and listed unit trusts) are based on quoted market prices at the close of trading at the end of the reporting period without any deduction for estimated future selling costs.

The quoted market price used for financial assets held by the Funds is the current bid price; the quoted market price for financial liabilities is the current asking price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

4. Fair value measurement (continued)

b. Valuations using level 2 inputs

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all material inputs required to fair value an instrument are observable, the instrument is included in level 2.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds.

Specific valuation techniques using observable inputs used to value financial instruments include:

- Investments in unlisted unit trusts are valued at the redemption price per unit as reported by the underlying fund's investment manager

c. Recognised fair value measurements

The table below presents the Funds' financial assets and liabilities measured and recognised at fair value as at 30 June 2024 and 30 June 2023.

	Level 1 \$'000	Alpha High Growth Fund Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$	Alpha Moderate Fund Level 2 \$	Level 3 \$	Total \$
As at 30 June 2024								
Financial assets:								
Equity securities	24,095	-	-	24,095	2,187,901	-	-	2,187,901
Unit trusts	880	90	-	970	226,633	3,223,011	-	3,449,644
Total financial assets	24,975	90	-	25,065	2,414,534	3,223,011	-	5,637,545
As at 30 June 2023								
Financial assets:								
Equity securities	22,942	-	-	22,942	3,097,244	-	-	3,097,244
Unit trusts	1,308	89	-	1,397	1,547,784	3,923,220	-	5,471,004
Total financial assets	24,250	89	-	24,339	4,645,028	3,923,220	-	8,568,248

d. Transfer between levels

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

There were no transfers between levels in the fair value hierarchy at the end of the reporting period.

e. Financial instruments not carried at fair value

The carrying values of cash and cash equivalents, receivables and payables approximate their fair values due to their short-term nature.

5. Financial assets at fair value through profit or loss

	Alpha High Growth Fund As at		Alpha Moderate Fund As at	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$	\$
Equity securities	24,095	22,942	2,187,901	3,097,244
Unit trusts	970	1,397	3,449,644	5,471,004
Total financial assets at fair value through profit or loss	25,065	24,339	5,637,545	8,568,248

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 3 and Note 4 to the financial statements.

6. Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, and the relevant activities are directed by means of contractual arrangement.

The Funds consider all investments in managed investment schemes (the "Schemes") to be structured entities. The Funds invest in Schemes for the purpose of capital appreciation and/or earning investment income.

The exposure to investments in related party Schemes at fair value, and any related party amounts recognised in the statements of comprehensive income is disclosed at Note 14 to the financial statements.

The exposure to investments in unrelated Schemes at fair value are disclosed in the following tables:

	Fair value of investment As at	
	30 June 2024	30 June 2023
	\$'000	\$'000
Alpha High Growth Fund		
iShares ESG Australian Bond Index Fund C	46	45
iShares ESG Global Bond Index Fund Class	44	44
Total unrelated Schemes	90	89

	Fair value of investment As at	
	30 June 2024	30 June 2023
	\$	\$
Alpha Moderate Fund		
iShares ESG Australian Bond Index Fund C	2,530,198	2,956,933
iShares ESG Global Bond Index Fund Class	692,813	966,287
Total unrelated Schemes	3,223,011	3,923,220

6. Structured entities (continued)

The fair value of the Schemes is included in financial assets at fair value through profit or loss in the statements of financial position.

The Funds' maximum exposure to loss from their interest in the Schemes is equal to the fair value of their investments in the Schemes as there are no off-balance sheet exposures relating to any of the Schemes. Once the Funds have disposed of their units in a Scheme, they cease to be exposed to any risk from that Scheme.

During the year ended 30 June 2024 and 30 June 2023 the Funds' total gains/(losses) incurred on investments in the unrelated Schemes and the distribution income earned as a result of their interests in the unrelated Schemes were as follows:

Fund name	Total gains/(losses) Year ended		Distribution income Year ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$	\$	\$	\$
Alpha High Growth Fund	(9,661)	(10,539)	2,701	212
Alpha Moderate Fund	(315,440)	(705,335)	62,635	47,801

7. Net assets attributable to unit holders - equity

Under AASB 132 *Financial Instruments: Presentation*, puttable financial instruments meet the definition of a financial liability to be classified as equity where certain criteria are met. The Fund shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions set out in Note 2(c). The Fund's units are classified as equity as they meet the definition of a financial instrument to be classified as equity.

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

	Alpha High Growth Fund Year ended				Alpha Moderate Fund Year ended			
	30 June 2024	30 June 2024	30 June 2023	30 June 2023	30 June 2024	30 June 2024	30 June 2023	30 June 2023
	Units '000	\$'000	Units '000	\$'000	Units	\$	Units	\$
Opening balance	30,376	25,539	36,841	28,079	12,550,594	9,064,135	19,743,848	13,806,968
Applications	6,698	6,307	7,414	5,946	1,513,687	1,161,435	2,227,561	1,578,766
Redemptions	(11,473)	(10,210)	(13,888)	(11,136)	(5,716,993)	(4,228,693)	(9,420,815)	(6,732,333)
Reinvestment of distributions	9	7	9	7	-	-	-	-
Distributions paid and payable	-	(689)	-	(477)	-	(43,419)	-	(151,484)
Profit/(loss) for the year	-	4,438	-	3,120	-	532,803	-	562,218
Closing balance	25,610	25,392	30,376	25,539	8,347,288	6,486,261	12,550,594	9,064,135

As stipulated within each Fund's Constitution, each unit represents a right to an individual share in the Funds and does not extend to a right to the underlying assets of the Funds.

There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Funds.

Units are redeemed on demand at the unit holders' option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within twelve months after the end of the reporting period cannot be reliably determined.

7. Net assets attributable to unit holders - equity (continued)

Capital risk management

The Fund considers its net assets attributable to unit holders as capital which is classified as equity. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily applications and redemptions at the discretion of unit holders.

Daily applications and redemptions are reviewed relative to the liquidity of the Funds' underlying assets on a daily basis by the Responsible Entity. Under the terms of each Fund's Constitution, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unit holders.

8. Distributions to unit holders

The distributions declared during the year were as follows:

	Alpha High Growth Fund				Alpha Moderate Fund			
	Year ended				Year ended			
	30 June 2024 \$'000	30 June 2024 CPU	30 June 2023 \$'000	30 June 2023 CPU	30 June 2024 \$	30 June 2024 CPU	30 June 2023 \$	30 June 2023 CPU
Distributions								
September	151	0.5622	247	0.6912	22,669	0.2192	11,890	0.0622
December	60	0.2466	102	0.2960	-	-	83,922	0.4872
March	73	0.2881	80	0.2433	20,750	0.2189	20,869	0.1319
June (payable)	405	1.5827	48	0.1570	-	-	34,803	0.2773
Total distributions	689	2.6796	477	1.3875	43,419	0.4381	151,484	0.9586

9. Cash and cash equivalents

	Alpha High Growth Fund		Alpha Moderate Fund	
	As at		As at	
	30 June 2024 \$'000	30 June 2023 \$'000	30 June 2024 \$	30 June 2023 \$
Cash at bank	428	1,399	336,818	127,237
Total cash and cash equivalents	428	1,399	336,818	127,237

10. Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

a. Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

	Alpha High Growth Fund		Alpha Moderate Fund	
	Year ended		Year ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$	\$
Profit/(loss) for the year	4,438	3,120	532,803	562,218
Proceeds from maturity of financial instruments at fair value through profit or loss	19,044	32,404	4,951,025	12,357,497
Payments for purchase of financial instruments at fair value through profit or loss	(15,770)	(25,308)	(1,556,253)	(6,301,169)
Net (gains)/losses on financial instruments at fair value through profit or loss	(4,080)	(2,686)	(464,038)	(485,823)
Effect of foreign currency exchange rate changes on cash and cash equivalents	(5)	5	1,765	(4,257)
Net movement in margin accounts	(9)	(200)	(9,289)	(200,000)
Net change in receivables	34	(22)	(104,636)	(95,714)
Net change in payables	(400)	66	5,449	(7,833)
Net cash inflow/(outflow) from operating activities	3,252	7,379	3,356,826	5,824,919

b. Non-cash operating and financing activities

The following distribution payments to unit holders were satisfied by the issue of units under the distribution reinvestment plan

	7	7	-	-
Total non-cash operating and financing activities	7	7	-	-

11. Receivables

	Alpha High Growth Fund		Alpha Moderate Fund	
	As at		As at	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$	\$
Dividends receivable	84	85	7,386	22,531
Interest receivable	-	-	279	280
GST receivable	-	33	27	10,993
Management fees and costs reimbursement receivable	-	-	300,362	169,614
Total receivables	84	118	308,054	203,418

12. Payables

	Alpha High Growth Fund As at		Alpha Moderate Fund As at	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$'000	\$'000	\$	\$
Management fees and costs payable	69	469	5,449	-
Total payables	69	469	5,449	-

13. Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditors of the Funds:

	Alpha High Growth Fund Year ended		Alpha Moderate Fund Year ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$	\$	\$	\$
Deloitte Touche Tohmatsu				
<i>Audit and other assurance services</i>				
Audit of financial statements	21,048	19,462	13,619	12,593
Total auditor remuneration and other assurance services	21,048	19,462	13,619	12,593
<i>Taxation services</i>				
Taxation services	8,559	8,151	8,559	8,151
Total remuneration for taxation services	8,559	8,151	8,559	8,151
Total remuneration of Deloitte Touche Tohmatsu	29,607	27,613	22,178	20,744
PricewaterhouseCoopers				
<i>Audit and other assurance services</i>				
Audit of compliance plan	2,400	2,346	2,400	2,346
Total auditor remuneration and other assurance services	2,400	2,346	2,400	2,346
Total remuneration of PricewaterhouseCoopers	2,400	2,346	2,400	2,346

The auditors' remuneration is borne by the Funds. Fees are stated exclusive of GST.

14. Related party transactions

The Responsible Entity of Alpha Funds is Equity Trustees Limited (ABN 46 004 021 298) (AFSL 240975). Accordingly, transactions with entities related to Equity Trustees Limited are disclosed below.

The Responsible Entity has contracted services to Alpha Fund Managers Pty Ltd to act as Investment Manager for the Funds and Apex Fund Services Pty Ltd to act as Custodian and Administrator for the Funds. The contracts are on normal commercial terms and conditions.

a. Key management personnel

i. Directors

Key management personnel includes persons who were directors of Equity Trustees Limited at any time during or since the end of the financial year and up to the date of this report:

Philip D Gentry	Chairman (resigned 6 June 2024)
Michael J O'Brien	Chairman (appointed 6 June 2024)
Russell W Beasley	
Mary A O'Connor	
David B Warren	
Andrew P Godfrey	(appointed 1 May 2024)

ii. Responsible Entity

Other than fees paid to the Responsible Entity, there were no other transactions.

iii. Other key management personnel

There were no other key management personnel with responsibility for planning, directing and controlling activities of the Funds, directly or indirectly during the financial year.

b. Transactions with key management personnel

There were no transactions with key management personnel during the reporting period.

c. Key management personnel unit holdings

Key management personnel did not hold units in the Funds as at 30 June 2024 (30 June 2023: nil).

d. Key management personnel compensation

Key management personnel are paid by EQT Services Pty Ltd. Payments made from the Funds to Equity Trustees Limited do not include any amounts directly attributable to the compensation of key management personnel.

14. Related party transactions (continued)

e. Key management personnel loans

The Funds have 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. Other transactions within the Funds

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

g. Responsible Entity fees, Investment Manager's fees and other transactions

The transactions during the year and amounts payable as at year end between the Funds, the Responsible Entity and the Investment Manager were as follows:

	Alpha High Growth Fund Year ended		Alpha Moderate Fund Year ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	\$	\$	\$	\$
Management fees for the year	-	56,193	-	150,555
Responsible Entity fees for the year	42,796	42,281	44,625	38,847
Management fees reimbursement for the year	38,235	213,548	122,658	148,642
Management fees payable at year end	2,590	438,247	-	-
Responsible Entity fees payable at year end	6,125	2,917	2,917	-
Management fees reimbursement receivable at year end	-	-	304,367	169,614

Under the terms of the Funds' Constitution and Product Disclosure Statement, management fees and costs includes responsible entity fees paid to the Responsible Entity, management fees paid to the Investment Manager and other costs (such as custody fees, administration fees and audit fees) paid to other unrelated parties. Please refer to the Funds' Product Disclosure Statement for information on how management fees and costs are calculated.

Investment management fees reimbursed represent monies put into the Fund to ensure that the Funds' overall management costs remain within that disclosed in the Product Disclosure Statement.

14. Related party transactions (continued)

h. Related party unit holdings

Parties related to the Alpha High Growth Fund (including Equity Trustees Limited, its related parties and other schemes managed by Equity Trustees Limited), hold units in the Funds, as follows.

Unit holder	Number of units held opening	Number of units held closing	Fair value of investment (\$)	Interest held (%)	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund (\$)
Alpha High Growth Fund							
As at 30 June 2024							
Apex Fund Services Pty Ltd ACH Alpha Growth Fund	2,301,606	4,166,578	4,141,995	16.31%	2,412,135	(547,163)	99,211
Apex Fund Services Pty Ltd ACF Alpha Balanced Fund	1,204,918	3,755,174	3,733,018	14.70%	2,591,256	(41,000)	82,391
As at 30 June 2023							
Apex Fund Services Pty Ltd ACH Alpha Growth Fund	41,386	2,301,606	1,940,945	7.60%	2,274,031	(13,810)	12,209
Apex Fund Services Pty Ltd ACF Alpha Balanced Fund	28,908	1,204,918	1,016,107	3.98%	1,176,010	-	4,086

Parties related to the Alpha Moderate Fund (including Equity Trustees Limited, its related parties and other schemes managed by Equity Trustees Limited) held no units in the Fund as at 30 June 2024 (30 June 2023: nil).

i. Investments

The Funds did not hold any investments in Equity Trustees Limited or its related parties during the year ended 30 June 2024 (30 June 2023: nil).

15. Events occurring after the reporting period

No significant events have occurred since the end of the year which would impact on the financial position of the Fund as disclosed in the statement of financial position as at 30 June 2024 or on the results and cash flows of the Fund for the year ended on that date.

16. Contingent assets and liabilities and commitments

There were no other contingent assets, liabilities or commitments as at 30 June 2024 and 30 June 2023.

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- a. The financial statements and notes set out on pages 7 to 31 are in accordance with the *Corporations Act 2001*, including:
 - i. complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - ii. giving a true and fair view of the Funds' financial position as at 30 June 2024 and of their performance for the financial year ended on that date.
- b. There are reasonable grounds to believe that the Funds will be able to pay their debts as and when they become due and payable; and
- c. Note 2(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors of Equity Trustees Limited through a delegated authority given by Equity Trustees Limited's Board.



Andrew P Godfrey
Director

Melbourne
25 september 2024

Independent Auditor's Reports to the Unit Holders of Alpha Funds

Opinion

We have audited the financial reports of Alpha High Growth Fund and Alpha Moderate Fund (collectively the "Alpha Funds" or the "Funds") which comprise the statements of financial position as at 30 June 2024, the statements of comprehensive income, the statements of cash flows and the statements of changes in equity for the year ended on that date, and notes to the financial statements, including material accounting policy information and other explanatory information, and the Directors' declaration.

In our opinion, the accompanying financial reports of the Funds are in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Funds' financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audits 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 Reports section of our reports. We are independent of the Funds in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audits of the financial reports in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Responsible Entity of the Funds (the "Directors"), would be in the same terms if given to the Directors as at the time of this auditor's reports.

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

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' reports for the year ended 30 June 2024, but does not include the financial reports and our auditor's reports thereon.

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

In connection with our audits of the financial reports, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial reports or our knowledge obtained in the audits, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Reports

The Directors are responsible:

- For the preparation of the financial reports that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- For such internal control as the Directors determine is necessary to enable the preparation of the financial reports that gives a true and fair view and is free from material misstatements, whether due to fraud or error.

In preparing the financial reports, the Directors are responsible for assessing the ability of the Funds 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 Funds or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audits of the Financial Reports

Our objectives are to obtain reasonable assurance about whether the financial reports as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's reports that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that audits conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial reports.

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

- Identify and assess the risks of material misstatements of the financial reports, 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 audits 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 Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's reports to the related disclosures in the financial reports or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's reports. However, future events or conditions may cause the Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial reports, including the disclosures, and whether the financial reports represent the underlying transactions and events in a manner that achieves fair presentation.

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



DELOITTE TOUCHE TOHMATSU



Jonathon Corbett
Partner
Chartered Accountants

Sydney, 25 September 2024