

GLOBAL OPPORTUNITIES ALTERNATIVES TRUST (AUSTRALIA)

ARSN 632 959 749

ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

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This annual report covers Global Opportunities Alternatives Trust (Australia) as an individual entity.

The Responsible Entity of Global Opportunities Alternatives Trust (Australia) is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975).

The Responsible Entity's registered office is:

Level 1, 575 Bourke Street,
Melbourne, VIC 3000.

DIRECTORS' REPORT

The directors of Equity Trustees Limited, the Responsible Entity of Global Opportunities Alternatives Trust (Australia) (the "Trust"), present their report together with the financial statements of the Trust for the year ended 30 June 2021.

Principal activities

The objective of the Trust is to generate a superior absolute and risk-adjusted rate of return, with low performance volatility and low correlation with global equity and fixed-income markets, over a full market cycle; and reduce losses during challenging market environments.

The Investment Manager, Grosvenor Capital Management, L.P. ("GCM Grosvenor") will seek to achieve the Trust's investment objectives by investing substantially all of the Trust's assets through the currency hedging vehicle managed by the Investment Manager (the "Currency Hedging Feeder"), which will further invest into the Global Opportunities Alternatives TR Fund, Ltd. (the "GCM Fund") in accordance with the Product Disclosure Statement and the provisions of the Trust's Constitution.

The Trust did not have any employees during the year.

There were no significant changes in the nature of the Trust's activities during the year.

The various service providers for the Trust are detailed below:

Service	Provider
Responsible Entity	Equity Trustees Limited
Investment Manager	Grosvenor Capital Management, L.P.
Custodian and Administrator	Mainstream Trust Services Pty Ltd
Statutory Auditor	PricewaterhouseCoopers

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
Harvey H Kalman	(resigned 1 September 2020)
Ian C Westley	(resigned 3 July 2020)
Michael J O'Brien	
Russell W Beasley	(appointed 1 September 2020)

Review and results of operations

During the year, the Trust invested funds in accordance with the Product Disclosure Statement and the provisions of the Trust's Constitution.

The Trust's performance was 6.43% (net of fees) for the year ended 30 June 2021. The Trust's benchmark, the 90-Day U.S. Treasury Bills, Plus 4%, returned 4.09% for the same period.

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

	Year ended	
	30 June 2021	30 June 2020
Profit/(loss) for the year (\$'000)	8,852	(2,305)
Distributions paid and payable (\$'000)	8,593	-
Distributions (cents per unit)	5.4004	-

DIRECTORS' REPORT (CONTINUED)

Significant changes in the state of affairs

Ian C. Westley resigned as a director of Equity Trustees Limited on 3 July 2020.

Harvey H Kalman resigned as a director of Equity Trustees Limited on 1 September 2020.

Russell W Beasley was appointed as a director of Equity Trustees Limited on 1 September 2020.

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

COVID-19

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The outbreak and the response of Governments in dealing with the pandemic has continued to evolve over the course of time. The prior year saw an increase in financial market volatility and corresponding fluctuations in the fair value of the Fund's investment portfolio. There is still some uncertainty around the impact of the COVID, the potential for further outbreaks and the COVID vaccine and its roll out both in Australia and around the world, and the potential for further outbreaks.

The Responsible Entity and Investment Manager are monitoring the situation closely, noting that with the ongoing developments, there is still a degree of uncertainty; therefore it is not possible at this time to predict the extent and nature of the overall impact on the Fund. The Investment Manager however, actively manages the financial risks that the Fund is exposed to, and the Net Asset Values of the Fund continue to be valued in accordance with the frequency set out in the Fund's Offer Documents, applying valuation policies reflective of the prevailing market conditions.

Matters subsequent to the end of the financial period

No matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may have a significant effect on:

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

Likely developments and expected results of operations

The Trust will continue to be managed in accordance with the investment objectives and guidelines as set out in the Product Disclosure Statement and the provisions of the Trust's Constitution.

The results of the Trust's operations will be affected by a number of factors, including the performance of investment markets in which the Trust invests. 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 Trust in regards 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 Trust's Constitution and the Law, the officers remain indemnified out of the assets of the Trust against losses incurred while acting on behalf of the Trust.

Indemnification of auditor

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

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

Fees paid to the Responsible Entity and its associates out of Trust property during the year are disclosed in Note 15 to the financial statements.

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

The number of interests in the Trust held by the Responsible Entity or its associates as at the end of the financial year are disclosed in Note 15 to the financial statements.

DIRECTORS' REPORT (CONTINUED)

Interests in the Trust

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

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

Environmental regulation

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

Rounding of amounts to the nearest thousand dollars

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

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 5.

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.



Philip D Gentry
Chairman

Melbourne
27 October 2021



Auditor's Independence Declaration

As lead auditor for the audit of Global Opportunities Alternatives Trust (Australia) for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been:

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

A handwritten signature in blue ink, appearing to read 'G. Sagonas', is positioned above the printed name.

George Sagonas
Partner
PricewaterhouseCoopers

Melbourne
27 October 2021

STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended	
		30 June 2021 \$'000	30 June 2020 \$'000
Investment income			
Net gains/(losses) on financial instruments at fair value through profit or loss		9,281	(2,092)
Net foreign exchange gain/(loss)		1	(2)
Management fees reimbursement	15	-	46
Other income		13	-
Total investment income/(loss)		9,295	(2,048)
Expenses			
Management fees	15	221	-
Responsible Entity fees	15	88	17
Custody and administration fees		78	38
Legal and professional fees		-	33
Other expenses	14	56	169
Total expenses		443	257
Profit/(loss) for the year		8,852	(2,305)
Other comprehensive income		-	-
Total comprehensive income for the year		8,852	(2,305)

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

STATEMENT OF FINANCIAL POSITION

		As at	
	Note	30 June 2021 \$'000	30 June 2020 \$'000
Assets			
Cash and cash equivalents	9	4,795	189
Receivables	11	9	60
Financial assets at fair value through profit or loss	5	170,423	104,434
Total assets		175,227	104,683
Liabilities			
Distributions payable		8,593	-
Payables	12	4,610	74
Total liabilities		13,203	74
Net assets attributable to unit holders – equity	7	162,024	104,609

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

STATEMENT OF CHANGES IN EQUITY

	Note	Year ended	
		30 June 2021 \$'000	30 June 2020 \$'000
Total equity at the beginning of the financial year		104,609	-
Comprehensive income for the financial year			
Profit/(loss) for the period		8,852	(2,305)
Other comprehensive income		-	-
Total comprehensive income		8,852	(2,305)
Transactions with unit holders			
Applications	7	80,955	108,924
Redemptions	7	(23,799)	(2,010)
Distributions paid and payable	7	(8,593)	-
Total transactions with unit holders		48,563	106,914
Total equity at the end of the financial year	7	162,024	104,609

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

STATEMENT OF CASH FLOWS

	Note	Year ended	
		30 June 2021 \$'000	30 June 2020 \$'000
Cash flows from operating activities			
Payments for purchase of financial instruments at fair value through profit or loss		(56,708)	(106,526)
Net foreign currency gain/(loss)		1	(2)
Other income received		13	-
Management fees paid		17	(5)
Responsible Entity fees paid		(88)	(17)
Custody and administration fees paid		(72)	(38)
Legal and professional fees paid		-	(33)
Other expenses paid		(37)	(178)
Net cash inflow/(outflow) from operating activities	10(a)	(56,874)	(106,799)
Cash flows from financing activities			
Proceeds from applications by unit holders		80,955	108,924
Payments for redemptions by unit holders		(19,475)	(1,936)
Net cash inflow/(outflow) from financing activities		61,480	106,988
Net increase/(decrease) in cash and cash equivalents		4,606	189
Cash and cash equivalents at the beginning of the year		189	-
Cash and cash equivalents at the end of the year	9	4,795	189

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

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1. GENERAL INFORMATION

These financial statements cover Global Opportunities Alternatives Trust (Australia) (the "Trust") as an individual entity. The Trust is an Australian registered managed investment scheme which was constituted on 12 April 2019 and will terminate in accordance with the provisions of the Trust's Constitution or by Law.

The Responsible Entity of the Trust 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 objective of the Trust is to generate a superior absolute and risk-adjusted rate of return, with low performance volatility and low correlation with global equity and fixed-income markets, over a full market cycle; and reduce losses during challenging market environments.

The Investment Manager, Grosvenor Capital Management, L.P. ("GCM Grosvenor") will seek to achieve the Trust's investment objectives by investing substantially all of the Trust's assets through the currency hedging vehicle managed by the Investment Manager (the "Currency Hedging Feeder"), which will further invest into the Global Opportunities Alternatives TR Fund, Ltd. (the "GCM Fund") in accordance with the Product Disclosure Statement and the provisions of the Trust's Constitution.

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The outbreak and the response of Governments in dealing with the pandemic has continued to evolve over the course of time. The prior year saw an increase in financial market volatility and corresponding fluctuations in the fair value of the Fund's investment portfolio. There is still some uncertainty around the impact of the COVID, the potential for further outbreaks and the COVID vaccine and its roll out both in Australia and around the world, and the potential for further outbreaks.

The Responsible Entity and Investment Manager are monitoring the situation closely, noting that with the ongoing developments, there is still a degree of uncertainty; therefore it is not possible at this time to predict the extent and nature of the overall impact on the Fund. The Investment Manager however, actively manages the financial risks that the Fund is exposed to, and the Net Asset Values of the Fund continue to be valued in accordance with the frequency set out in the Fund's Offer Documents, applying valuation policies reflective of the prevailing market conditions.

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 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the period 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 Trust is a 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 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 12 months, except for investments in financial assets and liabilities and net assets attributable to unit holders.

The Trust manages 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 holder's 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 Trust also comply with IFRS as issued by the International Accounting Standards Board (IASB).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a. Basis of preparation (continued)

ii. *New and amended standards adopted by the Fund*

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2020 that 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 2021, 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 Trust.

b. Financial instruments

i. *Classification*

- Financial assets

The Trust classifies its 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 Trust classifies its assets based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

The Trust's portfolio of financial assets is managed and performance is evaluated on a fair value basis in accordance with the Trust's documented investment strategy. The Trust's 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 and 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.

- 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 (management fees payable and redemptions payable).

ii. *Recognition and derecognition*

The Trust recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in the fair value of the financial assets or financial liabilities from this date.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or the Trust has transferred substantially all the risks and rewards of ownership. 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 statement of profit or loss.

iii. *Measurement*

- Financial instruments at fair value through profit or loss

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b. Financial instruments (continued)

iii. *Measurement (continued)*

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 statement of comprehensive income 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, receivables and payables are carried at amortised cost.

iv. *Impairment*

At each reporting date, the Trust shall estimate a loss allowance on each of the financial assets 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 Trust 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 a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross 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 Trust 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 statement 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 statement of comprehensive income.

v. *Offsetting financial instruments*

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when the Trust has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

As at the end of the reporting period, there are no financial assets or liabilities offset or with the right to offset in the statement of financial position.

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 Trust at any time for cash based on the redemption price which is equal to a proportionate share of the Trust's net asset value attributable to the unitholders.

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 Trust.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c. Net assets attributable to unit holders (continued)

The Trust's 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 Trust's 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 Trust, and is not a contract settled in the Trust's 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.

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 Trust's main income generating activity.

e. Investment 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 or liability and of allocating the interest income or expense 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 Trust estimates cash flows considering all contractual terms of the financial instruments (for example, prepayment options) but does 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.

Changes in fair value of financial instruments at fair value through profit or loss are recorded in accordance with the policies described in Note 2(b) to the financial statements.

ii. Dividends and distributions

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

Trust distributions are recognised on an entitlement basis.

f. Expenses

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

g. Income tax

Under current legislation, the Trust is not subject to income tax provided it attributes the entirety of its taxable income to its unitholders.

h. Distributions

The Trust may distribute its distributable income, in accordance with the Trust's Constitution, to unit holders by cash or reinvestment. The distributions are recognised in the statement of changes in equity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i. Foreign currency translation

Functional and presentation currency

Balances included in the Trust'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 Trust competes for Trusts and is regulated. The Australian dollar is also the Trust's presentation currency.

j. 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.

k. Receivables

Receivables may include amounts for interest and dividends. Dividends 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.

l. Payables

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

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 following financial year.

m. Applications and redemptions

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

n. Goods and services tax (GST)

The GST incurred on the costs of various services provided to the Trust by third parties such as management, administration and custodian services where applicable, have been passed on to the Trust. The Trust qualifies 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 statement of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Amounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the statement of financial position. Cash flows relating to GST are included in the statement of cash flows on a gross basis.

o. Use of estimates and judgements

The Trust 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.

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.

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

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

p. Rounding of amounts

The Trust is an entity 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, unless otherwise indicated.

3. FINANCIAL RISK MANAGEMENT

The Trust's activities expose it to a variety of financial risks including market risk (which incorporates price risk, foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Trust's overall risk management programme focuses on ensuring compliance with the Trust's Product Disclosure Statement and the investment guidelines of the Trust. It also seeks to maximise the returns derived for the level of risk to which the Trust is exposed and seeks to minimise potential adverse effects on the Trust's financial performance.

All investments present a risk of loss of capital. The maximum loss of capital is limited to the fair value of the investment in the Currency Hedging Feeder.

The investments of the Trust, and associated risks, are managed by the Investment Manager, GCM Grosvenor under an Investment Management Agreement (IMA) that contains the investment strategy and guidelines of the Trust consistent with those stated in the Product Disclosure Statement.

The Trust invests exclusively in the Currency Hedging Feeder, into the GCM Fund. It is expected that the Trust will invest AU dollars into the Currency Hedging Feeder and the Currency Hedging Feeder will convert such AU dollars into US dollars. Once converted, the US dollars will then be invested into the GCM Fund.

The Trust uses 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 Trust is exposed to price risk on its investment in the Currency Hedging Feeder. Price risk arises from investments held by the Trust for which prices in the future are uncertain.

The Trust has a significant concentration of risk arising from its exclusive investment in the Currency Hedging Feeder. As at 30 June 2021, the Trust's investment in the Currency Hedging Feeder represents 100% of the Trust's financial assets at fair value through profit or loss.

The market risk in the Currency Hedging Feeder, managed by GCM Grosvenor, takes into account the asset allocation of each holding of the Currency Hedging Feeder in order to minimise the risk associated with particular countries or sectors while continuing to follow their respective investment objective.

The table at Note 3(b) summarises the sensitivities of the Trust's assets and liabilities to price risk. The analysis is based on the reasonable possible shift that the investment portfolio in which the Trust invests moves by +/-5% and should not be considered a prediction or projection of future performance of the underlying investments.

ii. Foreign exchange risk

The Trust is not directly exposed to foreign exchange risk as it substantially invests all of the Trust's assets in the GCM Fund through the Currency Hedging Feeder.

The Trust will invest Australian dollars into the Currency Hedging Feeder and the Currency Hedging Feeder will convert such Australian dollars into US dollars. Once converted, the US dollars will then be invested into the GCM Fund.

iii. Interest rate risk

The Trust is exposed to cash flow interest rate risk on financial instruments with variable interest rates. Financial instruments with fixed rates expose the Fund to fair value interest rate risk.

Interest rate risk management is undertaken by maintaining as close to a fully invested position as possible, thus limiting the exposure of the Trust to interest rate risk.

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

b. Summarised sensitivity analysis

The following table summarises the sensitivity of the Trust's 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. Management has reviewed the historical performance of the underlying investments in the GCM Fund and the performance of the relevant benchmark. 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 Trust invests. As a result, historic variations in risk variables should not be used to predict future variances in the risk variables.

	Impact on net assets attributable to unit holders	
	Price risk	
	+5%	-5%
	\$'000	\$'000
As at 30 June 2021	8,521	(8,521)
As at 30 June 2020	5,222	(5,222)

c. Credit risk

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

The main concentration of credit risk, to which the Trust is exposed, arise from the Trust's investment in the Currency Hedging Feeder. The Trust is also exposed to counterparty credit risk on cash and cash equivalents and other receivables.

i. Investment in the Currency Hedging Feeder

The Trust has a significant concentration of credit risk that arises from its exposure to a single counterparty in relation to investments in hedge funds managed by third-party underlying managers pursuing a wide range of "alternative" investment strategies.

The risk is managed by the underlying fund manager and mitigated through investment diversification. The underlying fund manager monitors investment diversification parameters as specified in the Product Disclosure Statement.

ii. Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents is low.

iii. Maximum exposure to credit risk

The maximum exposure to credit risk before any credit enhancements at the end of each reporting period is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

d. Liquidity risk

Liquidity risk is the risk that the Trust 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 Trust is exposed to indirect liquidity risk by substantially investing all of the Trust's assets into the GCM Fund through the Currency Hedging Feeder, which will invest in hedge funds managed by underlying managers. Accordingly, the liquidity of the GCM Fund, and therefore the Trust, is dependent on the withdrawal/redemption/distribution provisions of the hedge funds in which the GCM Fund invests.

In order to manage the Trust's overall liquidity, the Responsible Entity has the discretion to reject an application for units and to defer or adjust redemption of units if the exercise of such discretion is in the best interests of unit holders. The Trust did not reject or withhold any redemptions during 2021 and 2020.

i. Maturities of non-derivative financial liabilities

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

4. FAIR VALUE MEASUREMENT

The Trust measures and recognises financial assets and liabilities at fair value through profit or loss on a recurring basis.

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

The Trust has 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 Trust values its investments in accordance with the accounting policies set out in Note 2 to the financial statements. For the majority of its investments, the Trust relies on information provided by independent pricing services for the valuation of its investments.

a. Fair value in an inactive or unquoted market (level 2 and level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the reporting period. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

Investments in the Currency Hedging Feeder are recorded at the redemption value per unit as reported by the investment manager. The Trust may make adjustments to the value based on considerations such as: liquidity of the Investee Trust or its underlying investments, the value date of the net asset value provided, or any restrictions on redemptions and the basis of accounting.

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 Trust holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

b. Recognised fair value measurements

The table below presents the Trust's financial assets and liabilities measured and recognised at fair value as at 30 June 2021.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
As at 30 June 2021				
Financial assets				
Currency Hedging Feeder	-	170,423	-	170,423
Total financial assets	-	170,423	-	170,423
As at 30 June 2020				
Financial assets				
Currency Hedging Feeder	-	104,434	-	104,434
Total financial assets	-	104,434	-	104,434

c. 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 for the year ended 30 June 2021 and 30 June 2020.

4. FAIR VALUE MEASUREMENT (CONTINUED)

d. Financial instruments not carried at fair value

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

Net assets attributable to unit holders' carrying value differs from its fair value (deemed to be redemption price for individual units) due to differences in valuation inputs. This difference is not material in the current or prior year.

5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at	
	30 June 2021 \$'000	30 June 2020 \$'000
Currency Hedging Feeder	170,423	104,434
Total financial assets at fair value through profit or loss	170,423	104,434

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 Trust considers all investments in managed investment schemes (the "Scheme") to be structured entities. The Trust invests in Schemes for the purpose of capital appreciation and/or earning investment income.

The exposure to investments in related schemes at fair value, and any related party amounts recognised in the statement of comprehensive income is disclosed at Note 15 to the financial statements.

	Fair value of investment	
	30 June 2021 \$'000	30 June 2020 \$'000
Global Opportunities Alternatives TR Fund, Ltd	170,423	104,434
Total unrelated Schemes	170,423	104,434

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

The Trust's maximum exposure to loss from its interest in the Scheme is equal to the fair value of its investments in the Scheme as there are no off-balance sheet exposures relating to the Scheme. Once the Trust has disposed of its units in a Scheme it ceases to be exposed to any risk from that Scheme.

During the year ended 30 June 2021, total gains incurred on investments in the Scheme were \$9,281,147 (2020: loss of \$2,092,365). The Trust did not earn any distribution income in both years as a result of its interest in the Scheme.

7. NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS - EQUITY

The Trust 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).

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

	Year ended		Year ended	
	30 June 2021 Units	30 June 2021 \$'000	30 June 2020 Units	30 June 2020 \$'000
Opening balance	106,008	104,609	-	-
Applications	80,033	80,955	108,007	108,924
Redemptions	(23,372)	(23,799)	(1,999)	(2,010)
Distributions paid and payable	-	(8,593)	-	-
Profit/(loss) for the year	-	8,852	-	(2,305)
Closing balance	162,669	162,024	106,008	104,609

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

Capital risk management

The Trust considers its net assets attributable to unit holders as capital, notwithstanding that net assets attributable to unit holders are classified as a liability. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Trust 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 Trust's underlying assets on a daily basis by the Responsible Entity. Under the terms of the Trust's Constitution, the Responsible Entity has the discretion to reject an application for units and to defer or adjust 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:

	Year ended		Year ended	
	30 June 2021 \$'000	30 June 2021 CPU	30 June 2020 \$'000	30 June 2020 CPU
Distributions				
June (payable)	8,593	5,4004	-	-
Total distributions	8,593	5,4004	-	-

9. CASH AND CASH EQUIVALENTS

	As at	
	30 June 2021 \$'000	30 June 2020 \$'000
Cash at bank	4,795	189
Total cash and cash equivalents	4,795	189

10. RECONCILIATION OF PROFIT/(LOSS) TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	Year ended	
	30 June	30 June
	2021	2020
	\$'000	\$'000
a. Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities		
Profit/(loss) for the year	8,852	(2,305)
Payments for purchase of financial instruments at fair value through profit or loss	(56,708)	(106,526)
Net (gains)/losses on financial instruments at fair value through profit or loss	(9,281)	2,092
Net change in receivables	51	(60)
Net change in payables	212	-
Net cash inflow/(outflow) from operating activities	(56,874)	(106,799)

11. RECEIVABLES

	As at	
	30 June	30 June
	2021	2020
	\$'000	\$'000
Management fee reimbursement receivable	-	51
GST receivable	9	9
Total receivables	9	60

12. PAYABLES

	As at	
	30 June	30 June
	2021	2020
	\$'000	\$'000
Custody and administration fees payable	6	-
Redemptions payable	4,398	74
Audit fees payable	10	-
Management fees payable	187	-
Other payables	9	-
Total payables	4,610	74

13. REMUNERATION OF AUDITOR

During the year the following fees were paid or payable for services provided by the auditor of the Trust:

	Year ended	
	30 June	30 June
	2021	2020
	\$	\$
PricewaterhouseCoopers		
Audit of financial statements	10,300	10,000
Audit of compliance plan	2,342	5,000
Total auditor remuneration and other assurance services	12,642	15,000
<i>Taxation services</i>		
Tax compliance services	10,740	10,322
Other services	5,100	-
Total remuneration for taxation services	15,840	10,322
Total remuneration of PricewaterhouseCoopers	28,482	25,322

The auditor's remuneration is borne by the Investment Manager. Fees are stated exclusive of GST.

14. OTHER EXPENSES

	Year ended	
	30 June 2021 \$'000	30 June 2020 \$'000
Audit and taxation fees	47	-
Consulting fees	-	21
Reimbursement fees	-	118
Platform fees	-	16
Setup fees	-	10
Other	9	4
Total other expenses	56	169

15. RELATED PARTY TRANSACTIONS

The Responsible Entity of Global Opportunities Alternatives Trust (Australia) is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975). Accordingly, transactions with entities related to Equity Trustees Limited are disclosed below.

The Responsible Entity has contracted services to GCM Grosvenor to act as Investment Manager for the Trust and Mainstream Trust Services Pty Ltd to act as Custodian and Administrator for the Trust. The contracts are on normal commercial terms and conditions.

a. Key management personnel

i. Directors

Key management personnel include 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
Harvey H Kalman	(resigned 1 September 2020)
Ian C Westley	(resigned 3 July 2020)
Michael J O'Brien	
Russell W Beasley	(appointed 1 September 2020)

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 Trust, 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 Fund as at 30 June 2021 (30 June 2020: nil).

d. Key management personnel compensation

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

e. Key management personnel loans

The Trust 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.

15. RELATED PARTY TRANSACTIONS (continued)

f. Other transactions within the Trust

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

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

Under the terms of the Trust's Constitution and Product Disclosure Statement for the Trust, the Responsible Entity and the Investment Manager are entitled to receive management fees.

The Investment Manager is entitled to a performance fee from the GCM Fund in accordance with the PDS.

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

	Year ended	
	30 June 2021 \$	30 June 2020 \$
Management fees for the year	220,667	-
Management fee reimbursement for the year	-	46,227
Responsible Entity fees for the year	88,462	16,553
Management fees payable at year end	180,079	-
Responsible Entity fees payable at year end	6,910	-
Management fees reimbursement receivable at year end	-	50,850

For information on how management and performance fees are calculated please refer to the Trust's Product Disclosure Statement.

h. Related party unit holdings

Parties related to the Trust (including Equity Trustees Limited, its related parties and other schemes managed by Equity Trustees Limited and the Investment Manager) held no units in the Trust as at 30 June 2021 (2020: nil).

i. Investments

The Trust did not hold any investments in Equity Trustees Limited or its related parties during the year.

16. 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 Trust as disclosed in the statement of financial position as at 30 June 2021 or on the results and cash flows of the Trust for the year ended on that date.

17. CONTINGENT ASSETS AND LIABILITIES AND COMMITMENTS

There were no outstanding contingent assets, liabilities or commitments as at 30 June 2021 and 30 June 2020.

Directors' declaration

In the opinion of the directors of the Responsible Entity:

- a. The financial statements and notes set out on pages 6 to 23 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 Trust's financial position as at 30 June 2021 and of its performance for the financial year ended on that date.
- b. There are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable; and
- c. Note 2(a) confirms that the financial statements also comply with the 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.



Philip D Gentry
Chairman

Melbourne
27 October 2021



Independent auditor's report

To the unitholders of Global Opportunities Alternatives Trust (Australia)

Our opinion

In our opinion:

The accompanying financial report of Global Opportunities Alternatives Trust (Australia) (the Trust) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Trust's financial position as at 30 June 2021 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the statement of financial position as at 30 June 2021
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the notes to the financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

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

Independence

We are independent of the Trust 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 audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other information

The directors of Equity Trustees Limited (the Responsible Entity) are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 of the Responsible Entity for the financial report

The directors of the Responsible Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors of the Responsible Entity determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors of the Responsible Entity are responsible for assessing the ability of the Trust 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 of the Responsible Entity either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

A handwritten signature in blue ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in blue ink that reads 'George Sagonas'.

George Sagonas
Partner

Melbourne
27 October 2021