

**MEME AUSTRALIAN SHARE FUND**  
**ABN: 50 382 023 935**

**FINANCIAL REPORT**  
**FOR THE FINANCIAL YEAR ENDED**  
**30 JUNE 2017**

**Liability limited by a scheme approved under**  
**Professional Standards Legislation**

**MEME AUSTRALIAN SHARE FUND**

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**MEME AUSTRALIAN SHARE FUND**  
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**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>INVESTMENT INCOME</b>		
Distribution income	-	6,045
Dividend income	135,158	31,557
Interest income	4,514	1,306
Other income	141	8
Net Gains (Losses) on financial instruments held at fair value	(603,696)	567,625
	(463,883)	606,541
<b>EXPENSES</b>		
Transaction costs	1,070	935
Commission Paid	46,804	-
Interest expense	211	2,704
Management fees	61,378	19,945
Performance fees	-	50,494
Recovery of expenses	40,425	14,233
Sundry expenses	1,859	-
Withholding tax	1,070	245
	152,817	88,556
<b>Operating Profit/(Loss)</b>	<b>(616,700)</b>	<b>517,985</b>
<b>FINANCE COSTS ATTRIBUTABLE TO UNITHOLDERS</b>		
Distributions to Unitholders	36,436	52,864
Increase/(Decrease) in net assets attributable to unitholders	(653,136)	465,121
<b>Profit for the year</b>	<b>-</b>	<b>-</b>

The accompanying notes form part of these financial statements.

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**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2017**

	Note	2017 \$	2016 \$
<b>ASSETS</b>			
Cash and cash equivalents	2	5,047	786,201
Trade and other receivables	3	1,619	95
Other current assets	4	19,079	9,250
Financial assets	5	5,791,629	3,461,095
<b>TOTAL ASSETS</b>		<u>5,817,374</u>	<u>4,256,641</u>
<b>LIABILITIES</b>			
Trade and other payables	6	3,355	52,869
Other current liabilities	7	8,154	31,820
<b>TOTAL LIABILITIES</b>		<u>11,509</u>	<u>84,689</u>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	8	<u>5,805,865</u>	<u>4,171,952</u>

The accompanying notes form part of these financial statements.

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from sale of financial assets	26,545,382	6,907,353
Payments for purchase of financial assets	(29,479,614)	(9,064,338)
Dividends received	125,118	28,541
Distribution income received	-	6,045
Interest received	4,749	1,514
Other income received	140	9
Payments to suppliers	(178,029)	(79,619)
<b>Net cash used in operating activities</b>	<b>(2,982,254)</b>	<b>(2,200,495)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from applications by Unitholders	2,726,000	2,765,000
Payment of redemptions to Unitholders	(512,805)	(35,500)
Distributions paid	(12,095)	(35,136)
<b>Net cash provided by financing activities</b>	<b>2,201,100</b>	<b>2,694,364</b>
Net increase/(decrease) in cash held	(781,154)	493,869
Cash at beginning of financial year	786,201	292,332
Cash at end of financial year	<b>2</b> 5,047	<b>786,201</b>

The accompanying notes form part of these financial statements.

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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	Note	Retained earnings \$	Total \$
Balance at 30 June 2016		-	-
Balance at 30 June 2017		-	-

Under Australian Accounting Standards, the net assets attributable to unitholders are classified as a liability rather than equity. As a result there was no equity at the start or end of the year.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

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**1 Summary of Significant Accounting Policies**

**Basis of Preparation**

The directors of the trustee company, being Theta Asset Management Ltd ("the Trustee") have prepared the financial statements of the Meme Australian Share Fund (the "Unit Trust") on the basis that the unit trust is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of unitholders, the information needs of stakeholders and for the basis of preparation of the income tax return.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the purposes of preparation. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless stated otherwise in the notes. The accounting policies that have been adopted in the preparation of these statements are as follows:

**Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Bank overdrafts also form part of cash equivalents and are presented within current liabilities on the statement of financial position.

**Revenue and Other Income**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

**Interest revenue**

Interest revenue is recognised using the effective interest method.

**Dividend revenue**

Dividends are recognised when the right to receive payment is established.

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

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**Financial Instruments**

Financial instruments are recognised initially using trade date accounting, i.e. on the date that unit trust becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

**Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in the Statement of Comprehensive Income.

The unit trust's trade and other receivables fall into this category of financial instruments.

Discounting is omitted where the effect of discounting is considered immaterial.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

For trade receivables, impairment provisions are recorded in a separate allowance account with the loss being recognised in the Statement of Comprehensive Income. When confirmation has been received that the amount is not collectable, the gross carrying value of the asset is written off against the associated impairment provision.

Subsequent recoveries of amounts previously written off are credited against other expenses in the Statement of Comprehensive Income.

In some circumstances, the unit trust renegotiates repayment terms with customers which may lead to changes in the timing of the payments, the unit trust does not necessarily consider the balance to be impaired, however assessment is made on a case-by-case basis.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

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**Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future;
- designated by the entity to be carried at fair value through profit or loss upon initial recognition; or
- which are derivatives not qualifying for hedge accounting.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in the Statement of Comprehensive Income.

The unit trust did not hold any held-to-maturity investments in the current or comparative financial year.

The unit trust did not hold any available-for-sale financial assets in the current or comparative financial year.

**Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing or financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

**Comparative Amounts**

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening net assets attributable to unitholders previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2017**

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**Net Assets Attributable to Unitholders**

The units are classified as financial liabilities as the unit trust is required to distribute its distributable income.

An investor may ask to exit the unit trust at any time, although the manager has the authority under the unit trust Constitution to delay payments under certain circumstances. When the manager determines that a redemption can be effected, it redeems the units at the exit price.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>2 Cash and Cash Equivalents</b>		
<b>Current</b>		
Cash Management Account	5	5
Operating Account	34	142
IB Cash Account	5,008	756,054
Application Account	-	30,000
	<u>5,047</u>	<u>786,201</u>
<b>Reconciliation of cash</b>		
Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:		
Cash and cash equivalents	5,047	786,201
	<u>5,047</u>	<u>786,201</u>
<b>3 Trade and Other Receivables</b>		
<b>Current</b>		
Input Tax Credits	1,619	95
	<u>1,619</u>	<u>95</u>
<b>4 Other Current Assets</b>		
<b>Current</b>		
Accrued Income	13,859	4,030
Accrued Brokerage	5,220	5,220
	<u>19,079</u>	<u>9,250</u>
<b>5 Financial Assets</b>		
<b>Current</b>		
Financial Assets held at fair value through profit or loss	<u>5,791,629</u>	<u>3,461,095</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2017**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
<b>6 Trade and Other Payables</b>		
<b>Current</b>		
Distributions Payable	3,350	52,864
Loan from Trustee	5	5
	3,355	52,869
<b>7 Other Liabilities</b>		
<b>Current</b>		
Accrued Charges	8,154	31,820
	8,154	31,820
<b>8 Net Assets Attributable to Unitholders</b>		
Opening Balance	4,171,952	945,593
Applications	2,799,854	2,796,738
	6,971,806	3,742,331
Redemptions	(512,805)	(35,500)
Increase (Decrease) in Net Assets attributable to Unitholders	(653,136)	465,121
	5,805,865	4,171,952

**MEME AUSTRALIAN SHARE FUND**  
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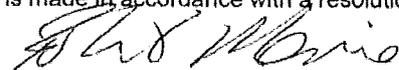
**DIRECTORS' DECLARATION**

The directors of Theta Asset Management Ltd (the trustee company) declare that:

- 1 The special purpose financial statements and notes present fairly the unit trust's financial position as at 30 June 2017 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) to the extent described in Note 1 to the financial statements; and
- 2 In the directors' opinion, there are reasonable grounds to believe that the unit trust will be able to pay its debts as and when they become due and payable.

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

Director:

  
\_\_\_\_\_

Robert Marie

**Dated this 11th day of August 2017**

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## INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF MEME AUSTRALIAN SHARE FUND

### Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of Meme Australian Share Fund (the Unit Trust), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of cashflows and the statement of changes in equity for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

### Directors' Responsibility for the Financial Report

The directors of Theta Asset Management Limited (the Trustee) are responsible for the preparation and fair presentation of the financial report in accordance with the accounting policies described in Note 1 to the financial statements, is appropriate to meet the requirements of the Trust Deed and is appropriate to meet the needs of the unitholders.

The directors of the Trustee's responsibility also includes such internal controls as the directors determine is necessary to enable the preparation and fair presentation of the financial report, that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Unit Trust's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Trustee, as well as evaluating the overall presentation of the financial report.

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

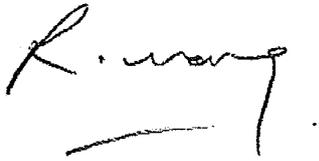
**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF MEME AUSTRALIAN SHARE FUND  
(continued)**

**Opinion**

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Unit Trust as at 30 June 2017 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements.

**Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors of the Trustee's financial reporting responsibilities under the Trust Deed. As a result, the financial report may not be suitable for another purpose.

**Calibre Partners Pty Limited**

**Roger Wong**  
Director

Dated this 11<sup>th</sup> day of August 2017.